# DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
EW YORK COFFEE AND SUGAR EX
NEW YORK RUBBER EXCHANGE

**UHLMANN GRAIN COMPANY**
141 W. JACKSON BLVD.
CHICAGO

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

Jan. 4th, 1931.

After a three day holiday Liverpool futures, according to cables, came about 1/2¢ higher, which we construed as showing great weakness; we based this on the fact that the last business day before the holidays Canadian exchange had improved about 2 to 3%, consequently, offerings of Canadian wheat to Liverpool figured about 1 1/2¢ to 2¢ per bushel higher. The fact that foreign markets took such little cognizance of this showed to us inherent weakness. We were not surprised, therefore, to find that our market opened a little lower and declined still further during the session.

As we have predicted right along, after the first six months of the crop year are gone, as a general rule the demand for domestic purposes, as well as for export, is on a diminished scale. The domestic demand is lighter because large bakers usually buy supplies a little ahead, particularly in years of low prices, sometimes as much as two or three months, and therefore, the milling demand from January to July is nothing like it is from July to December. As far as exports are concerned, while North America has to furnish the largest supplies the first part of our crop year, after January Argentine and Australia are very strong competitors.

The fact that there was no confirmation of the scare which had been spread from New York on Thursday about a possible revolution in Russia, which would have interferred with exports from that quarter, also compelled buyers who had accumulated wheat on that sensational statement to dispose of it at a loss.

The visible supply decreased 603,000 bushels, which compares with an increase last year of 1,155,000 bushels, but the total is still very large at 212,000,000 bushels and compares with about 189,000,000 bushels last year or 23,000,000 bushels more.

The open interest in wheat is smaller than last week by about 2,000,000 bushels, and only about 115,000,000 bushels. This is almost 100,000,000 bushels less than the visible supply- clearly indicating, after taking into consideration the farm board's holdings, that the amount of longs and shorts outside of the hedged wheat must be extremely small.

Canadian marketings were 698,000 bushels over the holiday; this is very small, but they ought to be much smaller than that as there are only supposed to be about 33,000,000 bushels of wheat left in farmers' hands. Clearances were very light- only from one port- Galveston- 268,600 bushels. Stocks at Minneapolis for three days increased 60,000 bushels, and Minneapolis in spite of the small spring wheat crop still has 31,600,000 bushels of wheat left. Primary receipts of wheat today 1,474,000 bushels- quite light for three days, compared with about 1,522,000 bushels last year.

At the close tonight we are a trifle over 2¢ lower than Liverpool, which is some improvement, but of course, puts our prices still way out of line. We, ourselves, have not spent one cent of money for more than three months for the purpose of making any sales of American wheat to Europe, considering it absolutely hopeless. However, we think the exporter will come into his own during the year 1932. We have kept our prices above the world's basis now for three years- 1929, 1930 and 1931- and we believe this cannot be kept up for another year; no matter how short our crop might be it is unthinkable that we should raise less than our consumption. The wheat world will discover, the same as the financial world has already done, that one country cannot be independent of the other countries. Our carryovers have been so large that they finally must be disposed of.

Corn receipts are light again; the primary movement for three days being only 634,000 bushels, which compares with 765,000 bushels a year ago. Nevertheless, corn, rye and oats all declined entirely in sympathy with wheat.

UHLMANN GRAIN CO.

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MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

Jan. 5, 1932.

Liverpool market is fluctuating so little, and we are so far out of line that it cuts very little figure. Naturaly Liverpool also pays more attention to Sterling exchange and Winnipeg than to us, because they are compelled to buy Canadian wheats right along, Argentine and Australian offerings not being sufficient to supply their wants, while they do not figure on receiving much from us.

Overnight a statement came out that the Senate passed a resolution to distribute a maximum of 40,000,000 bushels Farm Board wheat for needy purposes, and this had a little sentimental effect. However, when stocks showed great weakness again wheat declined to lower levels than the close yesterday.

The good and bad statistical news offset each other. Primary receipts are extremely light, and ordinarily ought to be considered bullish, being only 339,000 bushels compared with 855,000 bushels last year, but the demand is so poor that in spite of this stocks at Duluth, Minneapolis and Kansas City increased so far this week 131,000 bushels. Clearances were somewhat heavier- 354,000 bushels, but this is probably all farm board wheat. Canadian marketings are showing a steady dropping off- being only 252,000 bushels; naturally Winnipeg is improving accordingly, and has gained on us lately. We believe this will continue.

There is a better trade developing in September wheat, which future is selling at about 1¢ over July. It costs about 3 3/4¢ to carry wheat from July to September, and we see no reason with the enormous carryover why it should not sell near a full carrying charge. We believe September is the best purchase for a long time investment.

Commercial wheat stocks in this country, including United States wheat in Canada, are now 255,924,000 bushels against 204,468,000 bushels a year ago, or about 51,461,000 bushels in excess.

Toward the close of the session a statement came out by Chairman Stone of the Farm Board giving a true picture of the farm problems, and we consider his ideas very constructive and entirely in accordance, as far as we know, with the views of the grain trade.

Corn receipts continue to be extremely light, and this cereal rather strong.

Fluctuations in oats and rye are very trivial, and the interest on a very small scale.

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DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

Jan. 7th, 1932.

Liverpool wheat cables were practically unchanged today in spite of the fact that shipments from exporting countries are extremely small; the Black Sea shipments including Russian exports, are 824,000 bushels, compared with 720,000 bushels last year. Argentine shipments are estimated to be only about 1,500,000 bushels, so it is very plain that the total world shipments will be again very modest and much smaller than supposed requirements of the various nations.

Primary receipts here also continue to be extremely small- only 405,000 bushels, or less than one-half of last year when they were 898,000 bushels. Nevertheless, stocks at Kansas City, Duluth and Minneapolis show an increase of 299,000 bushels, indicating a very poor domestic demand. New export business is practically nil from the United States, with clearances for today only 56,000 bushels, all from New York. Of last week's exports, the United States shipped only 1,581,000 bushels, while Canada exported 4,340,000 bushels, showing that we are continually falling behind on our quota.

There has been quite a good deal of discussion about the latest figures given out by Nat C. Murray, as to the amount of wheat fed during the first six months of this year- 129,000,000 bushels. Of course, nobody will ever know exactly how much wheat has been fed, and it remains everybody's guess. Therefore, we shall make our own guess, and consider the estimate as given, much too high. We base our opinion on the following facts: Our normal consumption of wheat in the United States is assumed to be 650,000,000 bushels. Of this, about 80,000,000 bushels is used for seed, and possibly 50 to 60,000,000 bushels used ordinarily for feed and other purposes, leaving about 510,000,000 bushels for human food. If it were equally divided during the year we would have a consumption of 255,000,000 bushels for human food for the first six months; however, we admit that probably considerably more than this has been used for flour during the first six months than there will be in the last six months. Nevertheless, we cannot imagine that there was about half as much wheat used for animal feeding as there was for human beings, or at the rate of about 800,000 bushels for every business day. The very fact that our commercial wheat stocks have increased 52,000,000 bushels, and the further assumption that our farm stocks are normal does not look to us as if such a disappearance for animal feeding could have taken place.

Our wheat market was largely influenced today by the action of the stock market. The fact that some stock speculators, who also trade in wheat, had some profits compared with previously low levels, gave them encouragement to make new investments. However, in the long run each will have to stand on its own merits. Many stocks were terribly under-priced and are bound to improve; As far as wheat is concerned, fundamentals will have to change; namely, we shall have to get rid of our surplus before there will be any permanent good in this cereal.

Corn receipts are still light, but there are prospects of some increased movement; consequently it did not act particularly strong considering the advance in wheat.

Oats and rye also improved some, but remained more or less neglected.

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DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

Jan. 8, 1932

Liverpool wheat cables were extremely weak, both at the opening and at the close. The reason given was the larger offerings of Argentine wheat which were pressing on the market. This is in line with what usually happens at this time of the year, and what we expected, and accounts for the poorer demand from North America the second half of our crop year. In consequence, our prices were also lower, but not as much as those from abroad, as in this country just now a great deal of attention is being paid to values in the stock market, and any strength there causes immediate buying in grains on the belief that a general improvement in business would overcome all other obstacles. This is only partly justified, as wheat conditions are different than they ever have been, inasmuch as we had more or less artificial prices during the years 1929, 1930 and 1931, and this coming year may be the year of reckoning. The year 1931 will pass in history as one when the United States raised one of the largest crops and exported perhaps the smallest quantity in twenty years. Therefore, the accumulated stocks with which we started our crop year on the first of July will be considerably increased again. We saw during the War when there was a general inflation, and when practically every article advanced in price there were some exceptions- like Coffee, which had its own troubles; namely, the central states in Europe could not buy it and therefore coffee did not improve with the rest. We think wheat is in an exceptional position in this respect now.

At the close tonight Liverpool and Chicago prices are again very little apart; in fact, it was reported by Broomhall that #1 hard wheat at Liverpool is offered at 1 1/2¢ over our May. In other words, the entire freight and all other expenses are being given away in order to effect sales of American wheat.

Primary receipts continue light- 410,000 bushels against 930,000 bushels last year. There were no clearances whatsoever. Canadian marketings of 484,000 bushels are large considering the small amount supposed to be left in farmers' hands. Looks again as if the crop had been underestimated. Stocks at Minneapolis, Kansas City and Duluth show an increase so far of 326,000 bushels and particularly noteworthy is the fact that Minneapolis increased 35,000 bushels altho they hardly get any receipts, showing how poor the demand must be.

Corn receipts were extremely light- only 281,000 bushels versus 544,000 bushels last year, but offerings are larger, and for the first time in a long time hedging sales had to be absorbed; this weakened the price.

Oats and rye were also lower in sympathy with wheat.

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FORT WORTH GRAIN AND COTTON EX.

Sat.

Jan. 9, 1932.

Liverpool wheat cables were a trifle lower. It may seem strange, but usually at this time of the year we have declining markets in wheat. This is not a superstition, but a combination of factors are working in this direction, and it looks like 1932 would prove to be no exception. Argentine and Australian offerings become pressing very frequently when the crops are harvested, interfering with normal export business from North America and at the same time the domestic business here is decreasing, as proportionately the great bulk of flour is sold the first six months of the crop year. Therefore, when Liverpool wheat came lower it seemed almost silly that our prices at the opening should show an advance over yesterday's close, which put the price higher than the Liverpool market. Such conditions are never justified- only in the most exceptional years when we might be close to a domestic basis, but just now we are further removed from that than ever before in history.

The only reason for the strength which existed at periods during this morning's session was the fact that some of the leading stocks had been selling at new high levels on this movement, and the wish that if only wheat and silver could advance it would stimulate everything else. However, for speculative purposes it is always well to forget one's wishes and look cold facts in the face, and these at the present time are not very encouraging. Take for instance, an important point like Buffalo, which we consider is over burdened with wheat, and no place for it to go. At the present time there are stored there 26,780,000 bushels of United States wheat, which includes almost 8,000,000 bushels which are afloat; there are also 17,000,000 bushels of Canadian wheat. We do not think there will be any difficulty in disposing of the Canadian wheat before close of navigation, but it will be difficult to sell the American wheat as we are entirely out of line for export. There is already plenty of wheat East of Buffalo, so the only reduction which can take place is thru the consumption of the mills, and with the diminishing milling business at the present time, this will be only a moderate quantity. The afloat wheat will have to be unloaded in due course of time, and will keep the Buffalo elevators pretty full, making it unlikely that it will be further used as a dumping ground for the Chicago wheat.

Canadian marketings 420,000 bushels. It is surprising how long these Canadian marketings keep up, with only such a small quantity supposed to be left in farmers' hands, unless the crop had been very much under-estimated. Clearances were only 8,000 bushels, all from New York. Primary receipts extremely light- 444,000 bushels compared with 907,000 bushels last year, and for the week 3,390,000 bushels against 6,090,000 bushels a year ago. Ordinarily with such small receipts we would have big decreases in the visible supply, but with the domestic demand poor and no export demand this is not the case this year. In fact, Duluth Kansas City and Minneapolis, three important points, shown an increase so far for the week of 309,000 bushels.

Just at the time the New York Stock market closed, and when values declined, there was no encouragement from this source, so wheat rapidly gave way, closing about 1/2¢ lower than last night. The weakness in corn was also a factor.

Receipts of corn continue to be light- only 318,000 bushels primary receipts, compared with 683,000 bushels a year ago, but heavier shipments are looked for. The weather is still mild, curtailing consumption.

Oats and rye sympathised with the other cereals.

UHLMANN GRAIN CO.

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FORT WORTH GRAIN AND COTTON EX.

Jan. 11, 1932.

We could start and finish our market letter by just mentioning that Liverpool wheat closed today at 3/8¢ under Chicago May wheat. This is so important, in our opinion, that everything else we might write would be insignificant in importance compared to that. To those who are not in the grain business we might point out: it is about the same as if they would read that coal at Newcastle is selling at a higher price than at Italy. In other words, at the pit of the production the price is higher than in a country which does not produce any, and must pay all the costs of transportation; or if we would mention that cotton is selling higher in New York than at Liverpool. All such things have happened before, but only when conditions were extraordinary. We remember a year or two ago when cotton was reshipped from Europe when there was a corner here. However, doubt if it ever occurred before in times when there was such a great quantity left in this country for export. What are the conclusions: either all the importing countries must be ignorant of world conditions, and in spite of the low prices, refuse to lift their levels, but then even all our competitors- the exporting countries- seem to be in discord with us regarding values, as they are apparently willing to dispose of their wheat on basis of Liverpool quotations. That sooner or later an adjustment will have to come is sure, because there has hardly been a year in over forty years when this country did not raise more or less wheat for export, and as our consumption varies very little from year to year, someday our surplus must be disposed of abroad.

Traders here ignore the extraordinary conditions for the present- being largely influenced by matters not pertaining to wheat itself- like a firmer stock market, possibility of inflation, etc This accounts for the temporary strength in wheat.

World shipments were light- being about 11,500,000 bushels, and shipments from all exporting countries were very much the same as last season. Canadian marketings were 438,000 bushels, and unless the Government under-estimated the Canadian wheat crop, there is supposed to be 29,000,000 bushels of wheat left in farmers' hands in Canada. Primary receipts of wheat were again extremely light- 970,000 bushels compared with 1,765,000 bushels last year. Clearances were light- only one cargo being shipped from Newport News- 235,000 bushels. The visible supply decreased 1,184,000 bushels compared with an increase last year of 1,274,0 bushels, and the difference between the present visible and last year's is getting smaller- it is about 20,000,000 bushels larger now than it was in 1931- at 211,000,000 bushels- still quite a large quantity. In 1931 at this time stocks increased because there was a tremendous premium for May wheat over July, and millers stopped accumulating and farmers' shipped their wheat as fast as they could. The consequence was that at the end of the year all holdings were extremely small, except those which were in the show-windows, while this year we expect that millers will have normal stocks again and farmers more than normal.

Corn after being very weak early improved considerably- partly in sympathy with the strength in wheat, and also due to very light receipts- same being only 472,000 bushels compared with 1,159,000 bushels last year on a very much larger crop.

Oats showed very small fluctuations, and rye was strong.

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FORT WORTH GRAIN AND COTTON EX.

Jan. 12, 1932.

iverpool wheat cables were extremely weak today- they paying o attention whatsoever to our strength of yesterday. They lso were receiving offers from Argentina at reduced prices nd that country seems to be determined to dispose of its heat, which seems to be of good quality, and yields per acre atisfactory.

n discussing wheat prices at the present time we must make a lose distinction between Chicago values, which are at the oment a purely domestic affair, and world's prices, which in very importing and exporting country (freights and exchange onsidered) are entirely different.

or instance, Liverpool May wheat is selling at 56 1/4¢, rgentine February wheat at 43 1/8¢, and #3 Northern wheat at innipeg at about 47¢. These prices are not only low enough, ut they are in our opinion much too low.

owever, Chicago May wheat at 56 5/8¢, relatively so much higher han values in all these exporting and importing countries entioned, is another matter. It is true that for the moment hicago has lost its leadership both as an export and speculative arket. European countries pay scant heed to our quotations, ecause they buy nothing here and are consequently influenced y values in those countries from which they draw their supplies. emporarily we have lost our export business, and while in ormer days we were the prominent exporting nation of the orld, we are now in about fourth place. Canada exports much ore wheat than we, as do also Argentina and Australia; and f the reports are true that exports from Russia this year were mall only because of her short crop, in another year her shipments and those from the Black Sea will probably be in excess f those from our country.

n any case, we are now fourth, with prospects of being fifthargest exporter in the near future, unless our holding policy e abandoned. Canada once tried the experiment of holding er wheat off the market, resulting in yearly increases in arryovers until finally the breaking point was reached, when hey were forced to see the light of day and meet competing arkets. Some day this will also occur in the United States, nd then, with our fertile land, we shall again become leaders. t is inconsistent that we, with our population of 120,000,000 eople and vast stretches of virgin land yet lying idle in exas and other states, should permit foreign markets to be taken rom us by Australia, with 6,000,000 population, Argentine, with bout 20,000,000 and Canada with 10,000,000.

rade here was extremely light, and the news in general much the ame as heretofore- nothing very exciting. Kansas City, uluth and Minneapolis stocks so far show a decrease of 22,000 bushels for the week. Canadian marketings 343,000 bushels nd are keeping up better than expected. There were no wheat learances whatsoever from the U. S. Primary receipts wheat 91,000 bushels versus 872,000 bushels last year, keeping xtremely light.

orn receipts continue to be light, but the demand is also very nsatisfactory. Fluctuations in all coarse grains were particuarly limited.

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FORT WORTH GRAIN AND COTTON EX.

Jan. 15, 1932.

iverpool wheat cables were extremely weak today, and we believe at the greatest pessimist on prices never would have believed at wheat would sell so cheap abroad, considering that it takes om 10 to 15¢ at least to ship wheat to Liverpool from all porting countries. Their May wheat closed today at 55 3/4¢, th cash wheat somewhat less; it is selling now about 1¢ wer than Chicago. The situation is so deplorable that we lieve if anybody today would offer us good cash wheat at icago, with the condition attached that it must be shipped road at 40¢ a bushel, we would hesitate to buy it, as we do t believe a profit could be realized even at this price and a ansaction of that kind probably would result in a net loss.

at the market in spite of this was quite strong here, after an rly decline, can only be explained thru sympathy with an adancing stock market. The bull who draws the conclusion that an vancing stock market will have a sympathetic effect on wheat ices has two things in mind: First, he believes that a general provement in business would increase our domestic consumption, ich is correct, but only to a very limited extent, because even the worst times wheat is the cheapest article and the conmption does not vary much from year to year. Second- he lieves that a higher stock market would inflate prices. This ght be true if the United States were still the dominating ctor of the world, but, as we pointed out yesterday, we are w fourth in the export line, and therefore do not believe that ill higher prices on wheat, as long as foreigners do not spond, are very likely. Our theory right along, and so far it as proven to be correct, has been that as long as we raise ts of wheat every year for export we are not independent of the rld, and we can only see higher prices if the world's level ould be raised. However, as stated before, it takes much gher prices abroad before we can come in line at all.

e immediate effect of the situation is shown in the smallness our exports, which last week were only 1,356,000 bushels from e United States, compared with 3,893,000 bushels from Canada.

imary receipts of wheat again were very light- only about % of last year, namely: 471,000 bushels compared with 1,174,000 shels. Nevertheless stocks at Kansas City, Duluth and nneapolis show a decrease only of 9,000 bushels, showing what ttle we can get along with when there is no export business. ere were no clearances whatsoever today. Bradstreet's exports r this week- 4,366,000 bushels- almost 3,000,000 bushels less an last week and compares with 5,782,000 bushels last year. far for this year we are 30,000,000 bushels behind in our orts from North America.

rn sympathised somewhat with wheat, showing a little advance, t receipts continue light and there is no particular pressure.

ts hardly changed and rye was a trifle higher.

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FORT WORTH GRAIN AND COTTON EX.

Jan.14,1932.

Liverpool wheat cables were again very weak, altho part of the decline may be explained by a much stronger sterling market. However, business between the United States and Europe is absolutely impossible. The stock market was again very strong, and some of its strength was transferred to wheat.

Early transactions were higher in spite of fine weather which was reported over practically all sections of the Southwest, where in many places additional moisture was added to the already beneficial condition. As time went on, however, the load for the local crowd became too great, and it took but few selling orders to cause a wave of liquidation.

According to a preliminary report by Sanford Evans, Canadian stocks on January 8th were 195,000,000 bushels against 214,000,000 bushels last year. Country deliveries of wheat from August 1st to January 8th totaled 195,000,000 bushels against 248,000,000 bushels last year. It is striking, however, that supplies are still so large in that countryon a crop that was about 100,000,000 bushels short of the previous year.

The chief incentive for purchases on part of speculators is still the idea that commodities will be inflated thru ordinary methods of cheap money, etc. This may be true, but we do not think it is possible to lift wheat prices thru inflatory measures. We all know the United States government is strong enough if it has the power and the will to lift wheat prices by making additional purchases; it is the only method which we think would be successful, but we do not think this proceedure will be used, as past experience in this direction did not bring the desired results. The reason for our thinking so is the fact that the United States is now being almost ignored as an exporter by the balance of the world. This week for instance- Russia actually shipped more wheat than the United States, and this brings us down now as being fifth in importance among the exporters; Canada, Australia, Argentina and Russia all shipping more wheat than we.

Primary receipts of wheat today were larger than they have been- 630,000 bushels compared with 723,000 bushels last year. Canadian marketings are keeping up pretty well- being 306,000 bushels. Kansas City, Duluth and Minneapolis stocks show an increase for the week so far of 103,000 bushels. Philadelphia clearances are 8,000 bushels- this is all the United States wheat which has been cleared today.

Black Sea shipments this week were 1,760,000 bushels. This compares with 824,000 bushels last week and 464,000 bushels last year and includes Russian shipments of 1,456,000 bushels against 512,000 bushels last week and 400,000 bushels last year.

Other grains shared part of the early advance in wheat, but also gave way on liquidation.

UHLMANN GRAIN CO.

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FORT WORTH GRAIN AND COTTON EX.

Jan. 15, 1932.

Liverpool wheat cables were extremely weak today, even tho part of the decline was due to an improved sterling exchange. However, even when our market was at its lowest during the session we were higher than Liverpool, and at the close our quotations were considerably above theirs. This, of course, makes export business absolutely impossible, and makes the situation highly interesting.

There is no question about the large quantity of wheat which is available in this country, and which sooner or later must be disposed of, but on the other hand Europe is being well supplied and is absolutely independent of United States wheat. Australian shipments were about 6,500,000 bushels, Argentine and Russian exports are big, so that clearances for Europe this week will reach over 11,000,000 bushels outside of North America. Consequently, the world shipments (estimating North American shipments at 4,500,000 bushels to 5,000,000 bushels) would be close to 16,000,000 bushels, fully covering their weekly requirements and more. Out of the North American shipments, probably United States will clear less than 1,500,000 bushels, or about 10% of the total.

Weather conditions are also very favorable; there was more moisture in the Southwest, and the Modern Miller's report was very bearish, telling of an improvement in the winter wheat belt. Therefore, the news was all one-sided; even the stock market barely held steady, so there was no further encouragement from that quarter. Nevertheless, the market after an early small decline showed great strength, closing higher than yesterday. Even Winnipeg showed comparative weakness, losing a little ground on us. Therefore, the strength must be attributed entirely to local pit conditions.

Primary receipts wheat very light again - 510,000 bushels versus 1,006,000 bushels last year. Nevertheless, stocks at Duluth, Kansas City and Minneapolis show an increase of 32,000 bushels, milling demand being very poor. There were no clearances whatsoever, and Canadian marketings were reduced to 257,000 bushels.

Corn followed more or less the same trend as wheat. Trade in rye and oats remains very limited, with fluctuations quite insignificant, altho finally improving a little in sympathy with their sister cereal.

UHLMANN GRAIN CO.

# DAILY MARKET LETTER

MEMBERS:
ICAGO BOARD OF TRADE
YORK PRODUCE EXCHANGE
V YORK COCOA EXCHANGE
ORK COFFEE AND SUGAR EX
/ YORK RUBBER EXCHANGE

UHLMANN GRAIN COMPANY
141 W. JACKSON BLVD.
CHICAGO

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

Sat.

Jan. 16, 1932.

The wheat news today before the opening was extraordinarily depressing; cables were lower again, and the European situation from the American standpoint is getting worse all the time. Inasmuch as this country is not independent of Europe as far as wheat exports are concerned, anymore than we are independent on commodities of which we have a surplus- like cotton or copper- - we still think that sooner or later we shall have to follow the trend of the world's market.

The guesses before the opening were that we should see lower prices; as a matter of fact wheat did decline a little from last night's close, but this did not last very long; sellers became scarce and various rumors were being circulated very actively. One of them to the effect that a pool was being formed in New York with the object of boosting prices 5 or 10¢ a bushel regardless of conditions. We take no credence in this pool-forming, but should it be correct, they will only win out if they are right in their judgment of the market, as even the Farm Board with $500,000,000. available capital could not succeed in keeping prices up as long as world conditions were against them.

Tonight we are 4¢ higher than Liverpool on our May wheat, which is an extraordinary situation, Winnipeg lost practically 2¢ a bushel on us today; and if the market should advance any more we would be so much out of line with every other market that the usual readjustment would come about. Even Kansas City the second largest milling center, did not follow us fully, showing an inclination to recede from us, and on any further upturns if their futures lose more on us, we might soon be in line for shipment from that center. Kansas City, including holdings of the mills, alone has 40,000,000 bushels of wheat.

Also July and September wheat did not fully follow the May wheat.

Under the circumstances it is difficult to make any prediction. We have seen such markets many times before; they act just like a fever, always reaching a certain point before they subside. Therefore, further upturns are not impossible, but as the foundation is not sound great caution is required.

Primary receipts were somewhat heavier- 767,000 bushels compared with 1,089,000 bushels last year. Clearances were 100,000 bushels. Stocks at Kansas City, Duluth and Minneapolis increased for the week 52,000 bushels; therefore there will be only a moderate decrease in the visible supply on Monday, we believe.

Corn, oats and rye received all their inspiration from wheat, closing considerably higher.

UHLMANN GRAIN CO.

# DAILY MARKET LETTER

MEMBERS:
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MEMBERS:
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WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

Jan. 18, 1932.

Liverpool wheat cables made a poor response to our sharp advance of Saturday; altho they advanced about 1 3/4¢ , they lost on us about 4¢ per bushel since the bull movement started. Cash wheat if shipped from Chicago to Liverpool would show about a 20¢ per bushel loss, and we doubt if we have ever been that much out of line, with the exception of the stabilization period last season when it required an accumulation of over 100,000,000 bushels of wheat to prevent sinking to export levels.

However, this was another day of rumors, and no attention was paid to values or to statistical news. We, ourselves, take no stock in any of these rumors, as we do not believe that there is a pool, nor do we think that an attempt is being made to inflate wheat prices further- 20¢ per bushel above an export basis is already quite an inflaction, but we believe that the commission houses promiscuously have advised the purchase of wheat- stock business being very poor. Most of them do not make a specialty of grain, but just follow the line of least resistance, and when the market once starts in any one direction they recommend pyraminding lines. This is not the first time we have seen an artificial market of this kind; they all act the same way. As long as the market advances and new buyers come in the market will run the same course, finally there will be some realizing sales, and whenever the decline starts everybody will want to sell at the same time and the inevitable will happen. This, in our opinion, is no exception. Whether this will be the case from the present level, or 5 or 10¢ higher, nobody can tell, because it depends upon unforeseeable events.

A great many people believe this advance is similar to the one which happened a few months ago, and which did not collapse until wheat finally reached 73¢. However, they forget that at that time, and until wheat reached 62¢ there was a good export demand, and also there was a good domestic demand for flour and millers were heavy buyers. This is not the case now.

Primary receipts were 963,000 bushels compared with 1,776,000 bushels. Wheat clearances were 132,000 bushels. Canadian marketings 242,000 bushels. The visible supply decreased 2,611,000 bushels compared with 1,272,000 bushels last year, and is 208,000,000 bushels now against 189,000,000 bushels a year ago- or about 19,000,000 bushels larger.

Corn and oats profited from the advance in wheat, but only to a limited extent. Rye was also higher.

UHLMANN GRAIN CO.

# DAILY MARKET LETTER

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DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

Jan.19,1932.

verpool wheat cables were very weak again today; they were some-
at higher before our session opened, but the advance was all
st before they closed, and at the end of the day they are still
out 3 1/2¢ lower than we are on the May wheat. This is quite a
diculous proposition, and we still maintain the situation is
solutely untenable as long as we are way above an export basis.
e longer the readjustment is delayed the worse the situation
ll become. Some people hope that we might have some crop scares
March and April which would lift prices; such a miracle may
ppen, and if so, it would not change the fundamental situation
y, but we may have another misdirected market for a while.

are quite convinced that in the long run nothing will correct
e situation except a major crop failur in several of the important
untries, or an earnest effort to dispose of our huge surplus.
still believe that this country will probably carry over into
e next crop 400,000,000 bushels of wheat, which is about the
tal amount which has been exported the last three years; there-
re, nobody in his wildest imagination can believe that we are
a domestic basis now, or will be so the coming season, even if
should have a short crop. Consequently, we continually dwell
world's market, feeling that we cannot go it all alone.

at appeared to be concentrated buying during the bulge seemed to
absent today, and we believe, as we did right along, that in-
ead of concentrated buying, there were promiscuous purchases
de all over the country- the feeling being that the time was
ght for an upward movement. However, this theory must be dis-
lled now because neither exporters nor millers are following.

imary receipts of wheat continue to be light- 636,000 bushels
rsus 907,000 bushels last year. Canadian marketings are still
avy- 278,000 bushels. Considering that there are supposed to be
ly 26,000,000 bushels of wheat left in farmers' hands, and not
ery bushel will be shipped, unless they drop soon, we think it is
nclusive proof that the Canadian crop was again underestimated,
tho recently raised. Commercial supplies and United States wheat
Canada are 45,539,000 bushels more than last year. So far we
ve exported from North America 36,000,000 bushels less than last
ason. Last week's exports of wheat from the United States were
460,000 bushels and from Canada 3,576,000 bushels- very small from
th places. Wheat clearances were only 88,000 bushels. Kansas City
luth and Minneapolis so far show a decrease of 187,000 bushels;
e largest decrease is in Minneapolis of 175,000 bushels, which is
t much considering that there was hardly any spring wheat raised
is season. Bradstreet's visible supply increased this week
694,000 bushels compared with a decrease last year of 1,961,000
shels; the visible is now 471,000,000 bushels against
8,000,000 bushels a year ago- probably the biggest ever at this
me of the year.

eat statistics continue to be bearish, and nothing very serious
n happen for some time, as the crops in the Southern Hemisphere
e now made and it will be a couple of months before much will
known about our winter wheat crop. If we would make a guess,
would say that up to the present time the weather was such that
e amount of winter killing probably was extraordinarily small,
t the winter is only a month old and much might happen yet.

rn, oats and rye all showed sympathetic weakness. The very low
ice on hogs naturally has a sentimental effect on corn.

UHLMANN GRAIN CO.

# DAILY MARKET LETTER

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MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

Jan. 20, 1932.

Liverpool wheat market was 1/2¢ lower today, we closed about 1/2¢ higher, again putting us more out of line. We figure that on present values of cash wheat in Chicago, we are about 20¢ per bushel too high for export.

The general opinion seems to be that buying orders largely come from New York, from Wall Street houses which are not engaged in the grain business, evidently still adhering to the theory that wheat can be put up if enough is bought regardless of conditions. Apparently they did not learn any lesson from the Farm Board; the Farm Board had an available capital of $500,000,000. and purchased very large quantities of wheat, but conditions were not right for them, and consequently wheat declined in spite of their heavy purchases. It has been our experience during all these years that individuals do not make the market, but conditions do, and on that theory we believe the wheat market is more unhealthy now than it has been for a long time. Of course, miracles may happen later on to change the situation, but as a general rule it is poor policy to figure on same. Whoever purchases wheat now, except for consumptive purposes, will have to sell it again, and consumption at the present time is not following bulges.

Stocks at Duluth, Kansas City and Minneapolis show a decrease of 222,000 bushels. Wheat clearances are 144,000 bushels from Galveston, supposed to be shipped to Germany. Primary receipts continue to be light- 544,000 bushels compared with 1,076,000 bushels last year. Canadian marketings 244,000 bushels- still much better than one would expect, considering the small amount which is supposed to be left in farmers' hands.

Corn, oats and rye were weak at first in sympathy with wheat, but later on improved when the sister cereal advanced.

UHLMANN GRAIN CO.

# DAILY MARKET LETTER

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FORT WORTH GRAIN AND COTTON EX.

Jan. 21, 1932.

Liverpool wheat cables were disappointingly weak today, showing no response to our late advance of yesterday. Liverpool at one time showed a little better feeling, but it was all lost before the close. The reason is very plain- Argentine shipments were very heavy, estimated to be over 4,000,000 bushels, and the Black Sea shipments 1,516,000 bushels, which compares with 248,000 bushels last year. Russian shipments, which are included in the above, are not particularly heavy- 304,000 bushels against 232,000 bushels a year ago. At one time today during the session Liverpool May wheat was about 5¢ lower than ours, which theoretically would put us on an importing basis to New York with the low freight, if there were no tarrif. Of course, nobody expects any importations, even if some hard wheat which had been shipped abroad could be reimported; first, because Europe needs all the wheat it is receiving now as long as the United States is not supplying any, and also there would be no market for such wheat in New York, where they have plenty already. We just mention this to emphasize the improbability of exporting any wheat or flour from this country, as long as there is such a difference in values between here and abroad.

In the meantime it seems that every exporting country is selling wheat except the United States, and this is bound to give us a very bad situation, as we cannot continue forever to increase our supplies from year to year. To show how this works, we want to point out the Bradstreet's visible supplies of January 19th for a number of years as followss.

| | | | |
|---|---|---|---|
| January 19, 1932 | - | 471,300,000 | bu. |
| " " 1931 | - | 448,000,000 | " |
| " " 1930 | - | 444,000,000 | " |
| " " 1929 | - | 400,000,000 | " |
| " " 1928 | - | 299,000,000 | " |
| " " 1927 | - | 246,000,000 | " |
| " " 1926 | - | 212,000,000 | " |

A steady accumulation which must end some day. We are not very much better off if we compare the new crop futures at Liverpool with Chicago, and even on that basis we would be 15¢ out of line; consequently, there is no good outlook for exporting new wheat later on, as sometimes these sales are made two or three months ahead.

Canadian marketings are still heavy- 323,000 bushels. Stocks at Duluth, Kansas City and Minneapolis so far decreased 289,000 bushels. Primary receipts of wheat are 641,000 bushels compared with 1,616,000 bushels last year; they are still small, but the difference now is entirely in the Northwest, as the movement is increasing in the Southwest. Wheat clearances are only 237,000 bushels from Boston. Bradstreet's exportx for the week are again very light- 4,763,000 bushels against 5,633,000 bushels a year ago. The total so far this year is 32,000,000 bushels less than last season.

January 21, 1932

We expect the Canadian government report will be issued this afternoon. Think it must be bearish, because unless the crop estimate is raised, there would be only about 26,000,000 bushels left in farmers' hands. The present movement shows that it must be larger.

Nevertheless, our market kept reasonably firm today, and at one time was considerably higher than the close of yesterday. There is only one explanation, and it is the accepted theory here that Wall Street houses are recommending the purchase of wheat, expecting to make a turn in spite of statistics. The pit element here, however, is very much impressed the other way, feeling that the very bearish condition existing and the absolute lack of export demand will finally make the price. In the conflict between these two different ideas, we sometimes have some very rapid fluctuations. As far as we are concerned, our experience has shown us that those who play on conditions will finally win in the long run.

There was very little interest shown in corn, oats, and rye, and the smaller fluctuations were in sympathy with wheat.

UHLMANN GRAIN CO.

# DAILY MARKET LETTER

MEMBERS:
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MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

Jan. 22, 1932.

Liverpool wheat cables were very weak today, not only at the opening but also during the session and at the close. Their May wheat closed about 4 1/4¢ under ours. The explanation is very simple; Argentine, Australian and Black Sea shipments for the week are 13,000,000 bushels compared with 6,348,000 bushels last year, or 6,500,000 bushels more. Assuming that sundry countries will ship another 500,000nbushels and all of North America perhaps 4,500,000 bushels, there will be total world shipments of 18,000,000 bushels, which amount is way in excess of requirements; Of this total perhaps the United States will not furnish more than about 8%, or 1,500,000 bushels, and this will practically all be on old sales made by the Farm Board sometime ago. So there is nothing encouraging in looking at the matter from the foreign point of view.

As far as the domestic situation is concerned, a reliable statement was published today, showing that wheat stocks owned by flour mills have increased from 26,000,000 bushels on June 30th, to 123,000,000 bushels up to December 31st, which is a record since before 1927. Inasmuch as the commercial visible stocks are also 45,000,000 bushels more than last year, and farmers' stocks undoubtedly larger, it is very plain to us that an accumulation of wheat is going on, and that we shall go into the next year, starting July 1st, with the most tremendous amount of wheat ever reported in the United States.

In spite of this, our market held pretty strong, and naturally everybody looks for an explanation. The generally accepted theory is that there is a Pool in New York which is accumulating wheat. However, this does not seem to be likely, as our open interest last night in May wheat was 86,550,000 bushels compared with 88,833,000 bushels a week ago. In other words, there are less bulls in wheat now than at that time. Consequently, we must come to the conclusion that some longs are selling and others are buying, but in the end there is no great change.

Duluth, Minneapolis and Kansas City show a decrease so far for the week of 401,000 bushels, indicating another fair-sized decrease in the visible supply on Monday. Clearances were 192,000 bushels, all from New Orleans. Canadian marketings are heavy considering the small amount which is supposed to be left in farmers' hands- 369,000 bushels. Primary receipts are heavier- 719,000 bushels compared with 969,000 bushels last year. As nearly as we can judge the situation, domestic, milling and flour demand is poor.

Corn and oats were independently weak, without however declining very much. The interest in oats is almost nil.

UHLMANN GRAIN CO.

# DAILY MARKET LETTER

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KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

Sat

Jan. 23, 1932.

iverpool wheat cables were unchanged today, but that market igured a little lower, sterling exchange having declined lightly. This, however, like right along was entirely ignored, ut the fact that the stock market closed very weak yesterday and pened at a still further decline today had a decided sentimental ffect.

he only motive for buying our wheat lately was the fact that ndications were very plain that Wall Street houses had acumulated large lines. Whether there was actually a Pool in rder to help the general situation, or whether the purchases ere made on the belief that wheat was low enough, cut no figure t the time. Our market is rather narrow, and these additional urchases lifted the price. Some people still believe that uman beings make a market, and not conditions; consequently, here was quite a following and everything else was ignored. owever, those who have been in business for a long time and ad similar experiences before knew that finally individual transactions or their desires have very little to do with the utcome of the market; supply and demand is the important actor. Furthermore, human beings are all very much alike-- ith the weakness in the stock market the Wall Street houses ho had been such prominent buyers were not in evidence today -- n the contrary it looked as if they had been taking losses n liquidating some of their holdings, which brought about a ery material decline. Should these operations continue, then f course statistics will be brought forward again, and we still elieve that finally nothing will help our wheat prices, and ut it on a sound foundation until we are on an export basis. hether this will come thru an improvement abroad or thru declines ere, or perhaps partially each way, we are not sure, except we eel that at present the European situation is extremely disouraging and therefore the chances for any sharp upturns there re not very good unless some new elements come into play, which t present are not visible.

anadian marketings still very heavy- 374,000 bushels. Presume he extremely fine weather has something to do with this. rimary receipts of wheat are 786,000 bushels compared with ,057,000 bushels last year. The movement is now quite normal n the southwest but of course in the northwest where they aised so little wheat it will be small during the year. learances are 129,000 bushels-- all from New York. Stocks at ansas City, Duluth and Minneapolis show a net decrease of 60,000 bushels, indicating a small decrease in the visible upply on Monday.

orn, oats and rye all sympathised with their sister cereal and losed lower.

UHLMANN GRAIN CO.

# DAILY MARKET LETTER

MEMBERS:
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DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

Jan. 25, 1932.

Liverpool cables did not fully follow our decline of Saturday. However, their prices are so low that we think bearish conditions abroad are discounted, and we scarcely believe they will decline much further. In view of the fact that Liverpool May wheat closed today at 54 3/4¢ in American money, which we believe is the lowest price at which it has sold on this crop (as it sold as high as 55 5/8¢ when our May wheat sold at its lowest price on this crop, 48 3/4¢) then the present price in American money is equal to the lowest price on Liverpool wheat in about three centuries.

Of course, Europe may be very independent when it is considered that world's shipments were 19,100,000 bushels compared with 13,300,000 bushels last year. This in spite of very small North American contributions of only 5,500,000 bushels. The amount on passage increased almost 7,000,000 bushels to nearly 47,000,000 bushels compared with about 31,000,000 bushels last year. Our vessel agent at New York reports that only one boat was chartered there last week for Europe and one for Brazil. It might be interesting to note that the United States has exported thus far to Brazil 7,015,000 bushels since the coffee deal was consummated.

Even with the increase of the Canadian crop estimate to 283,000,000 bus. for the western provinces, there would be only 28,000,000 bushels of wheat left in farmers' hands, which would practically clean up that country if farmers would deliver 1,000,000 bushels a week. Canadian marketings today were still large at 390,000 bushels.

Primary receipts show quite an increase from last week, being 1,331,000 bushels, altho considerably smaller than last year, when they were 1,765,000 bushels. The visible supply showed a decrease of almost 2,000,000 bushels compared to an increase a year ago. However, there are still 16,000,000 bushels more in various places than at that time- therefore, still very burdensome supplies.

One of the features in today's trading was the very heavy buying of July wheat, which put the distant future to almost the same price as the May, and with the carryover which we think this country will have, we see no reason why there should not be a carrying charge from the old crop to the new one. This July wheat buying, however, attracted spreading operations, and those who already had May wheat sold against July wheat purchases reversed their operations, and this imparted some strength to the old crop month. As we are still so far from an export basis we see nothing in the general situation to change our previously expressed views.

Corn and oats were not particularly active and many of their fluctuations were in sympathy with the leading cereal.

UHLMANN GRAIN CO.

# DAILY MARKET LETTER

MEMBERS:
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MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

Jan. 26, 1932.

All we can say about foreign wheat markets is that the situation is pitiful. When we quote Liverpool March wheat at 51 3/4¢ it tells the whole story. There are still some countries in Europe where there is no tariff on grain, so the farmers there are worse off than in this country.

We still believe that the proper correction would be to dispose of our burdensome wheat stocks for whatever they would bring, so there would at least be the hope of an improvement in the situation when the new crop comes on the market. It is true, the medicine would be very bitter, but we have to look into the future, and it is not a question of what we wish at the moment, but what is absolutely essential to change a bad situation. The Canadian Pool never understood this, and only prolonged the agony thru their policies, which increased carryovers from year to year.

To show how absolutely essential it is for us to export large quantities of wheat and not depend upon our domestic demand, we wish to point out the following: According to the Daily Trade Bulletin, wheat stocks in mill hands on Dec. 31, 1931, were 122,772,000 bushels. At the same time they had 4,897,000 barrels of flour on hand, equal to 21,420,000 bushels, or a total of 144,192,000 bushels of wheat. These are much bigger stocks than carried by the mills since 1927. It is not likely that stocks have been permitted to decrease this month and ought to be much the same; if so, the mills easily would have enough wheat and flour on hand for three months' consumption, or to carry them until the end of April, so they would theoretically require only two more months consumption. To show how mills permit their stocks to run down at the end of the crop year we quote the wheat stocks in hands of mills on June 30, for the following years.

June 30, 1927 - 33,713,000 bu.
" " 1928 - 33,947,000 "
" " 1929 - 58,098,000 "
" " 1930 - 47,541,000 "
" " 1931 - 26,412,000 "

While our markets were lower today, we are no nearer an export basis. Liverpool wheat, in spite of the fact that it yesterday sold at the lowest price in American money in three centuries, as we reported, declined another cent today. Also other exporting countries are so anxious to sell wheat that the world shipments amounted to 3 to 5,000,000 bushels above weekly requirements.

Stocks at Kansas City, Duluth and Minneapolis showed a decrease of 328,000 bushels, and it seems that the stocks at Minneapolis are starting to decrease more heavily. Primary receipts were 680,000 bushels compared with 864,000 bushels last year. Clearances, only from one port, New Orleans, were 203,000 bushels. Canadian marketings 430,000 bushels. Bradstreet's visible supply increased this week 2,208,000 bushels compared to a decrease last year of 2,223,000 bushels; the total visible is now 473,000 bushels against 446,000 bushels a year ago.

Corn, oats and rye were featureless, but somewhat lower in sympathy with wheat.

UHLMANN GRAIN CO.

# DAILY MARKET LETTER

MEMBERS:
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MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

Jan. 27, 1932.

iverpool wheat cables before our opening made new low records, nd wheat sold at levels which were almost unthinkable. It hardly eems possible that foreign markets will decline further. How- ver, the Liverpool market was relieved immediately by buying rders from here, and news was cabled from Buenos Aires that that overnment has decreed Federal control of the Buenos Aires futures arket. We do not think this in itself will help any. Restrictions f trading are no help to markets as long as there is too much heat raised which has to be sold, and prices can only improve ermanently when fundamentals change. However, how North America s suffering under this condition is shown very plainly by our ontinued small exports. According to Bradstreet, exports for his week were 5,368,000 bushels compared with 5,877,000 bushels ast year, and the total exports for seven months are now 173,000,000 ushels versus 225,000,000 bushels last season. Comparing this with ther years it makes the following showing:

| | | | |
|---|---|---|---|
| To end of January | 1932 | - 173,000,000 | bushels |
| " " " " | 1931 | - 225,000,000 | " |
| " " " " | 1930 | - 180,000,000 | " |
| " " " " | 1929 | - 334,000,000 | " |
| " " " " | 1928 | - 305,000,000 | " |
| " " " " | 1927 | - 302,000,000 | " |

evertheless prices so far have practically not changed any since ovember 30, and neither the bear nor the bull can claim any uperior wisdom in having made correct guesses. On November 30, 931, May wheat closed at 58¢, on December 31, 1931, it closed at 7¢, and today it closed about 58¢. However, the important hing just now is not whether prices are a little higher or lower, ut whether real conditions are improved, so that later on we can ook for better prices; we see no signs of this as yet. We igure that the combined crops of United States and Canada this ear were 1,190,000,000 bushels, the combined normal consumption s about 770,000,000 bushels, leaving 420,000,000 bushels for xport. At the rate we have been exporting, and the first seven onths of the crop year are usually the best, our total exports or the twelve months probably will not amount to over 300,000,000 ushels, so we would have to carry over about 120,000,000 bushels, ess the amount of extra feeding, which at the maximum we do not stimate at more than 50,000,000 bushels. Should we be correct, e figure that the whole quantity would remain in the United States, s Canada with her short crop will not increase her stocks com- ared with the previous season.

rimary receipts of wheat were 623,000 bushels compared with ,188,000 bushels last year. Stocks at Kansas City, Duluth and inneapolis continue to decrease, so far 417,000 bushels. learances were extremely light- only 64,000 bushels from Galveston.

raders in general are so anxious to boost prices temporarily in rder to help general business conditions and the stock market that hey were inspired with new hopes on account of possible Argentine estrictions, and after an early decline the market closed quite trong.

orn, oats and rye fluctuated but little and followed in the main advances or declines in wheat.

UHLMANN GRAIN CO.

# DAILY MARKET LETTER

MEMBERS:
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YORK COCOA EXCHANGE
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YORK RUBBER EXCHANGE

UHLMANN GRAIN COMPANY
141 W. JACKSON BLVD.
CHICAGO

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

Jan. 28, 1932.

We wish to make a correction in yesterday's market letter; we gave Bradstreet's North American clearances up to date as 173,000,000 bushels, whereas they should have been 193,000,000 bushels. It was not our mistake, we copied same from the ticker, and the Daily Trade Bulletin also gave the wrong figures last week. However, in analyzing them, as we always do, we came to the conclusion that there must have been some mistake, as we had been watching the clearances from week to week and could not see a difference between this year and last year of 52,000,000 bushels; the actual difference is only 32,000,000 bushels.

Liverpool wheat cables were very weak today, and their May wheat is again more than 4¢ under ours. Evidently Europe is not very much worried where they get their supplies from. This influence at our opening was very small, as in the meantime there was quite a good deal of talk in our newspapers about the Shanghai situation and the possibility of War between various nations. In fact, we think that some of our traders might have become excited on that subject had not Liverpool shown such utter indifference to these reports; and of course, England still is the pulse in such matters all over the world.

Furthermore, there were hopes on part of bulls that as there is a prospect of a cold wave, there might be a little crop scare. One of our friends in Kansas City wired us that since we raised a bumper crop of wheat last year with frost in May he does not get scared easily anymore about cold weather in winter time. Our own weather man does not think it likely that the cold wave will be very severe, except possibly in North and South Dakota, and while temperatures will be much lower everywhere there is also a possibility of snow preceding, and there is nothing in particular to be alarmed about as yet.

Fluctuations during the whole day were extremely small. Exporting countries also do not seem to be worried very much; Argentina and Australia are getting rid of their wheat very fast, and the United States and Canada seem disposed to carry their surpluses over into the next crop. However, time will tell who are the best merchandisers.

Looking further into the future, we find that the time is getting very close when we shall have to dispose of large quantities, as in about 22 weeks the new crop will be on our hands. What same will be, nobody can tell. However, in all probability we shall raise a much shorter winter wheat crop as the last one was a bumper one, a much larger spring wheat crop, as the one of 1931 was the worst failure in about thirty or forty years; Canada is likely to produce much more wheat than it did a year ago, when their crop was much below average, and the moisture question is better this year than it was then. The outlook for Russia is for an increased acreage, and next year's crop also will be compared with a poor one this year, particularly in the spring wheat

January 28, 1932

territory. We shall probably be confronted on an average with a condition much the same as when we started this year, with the exception that North America is likely to have 50 or 100,000,000 bushels more to begin with as a carry-over.

This week's estimated shipments from Argentina are 4,402,000 bushels compared with 3,510,000 bushels last year; Black Sea shipments are 832,000 bushels against 256,000 bushels a year ago, thus indicating a pretty good world shipment again.

In spite of a very much shorter crop in Canada, stocks of Canadian wheat in Canada and the United States in all positions except in farmers' hands, are 191,868,000 bushels compared with 206,360,000 the previous year, or only about 15,000,000 bushels less on a crop possibly 100,000,000 bushels less, showing that Even Canada, which sells her wheat considerably under ours, is not disposing of it very rapidly.

Stocks at Kansas City, Duluth, and Minneapolis continue to show a very fair decrease, being 500,000 bushels so far this week. Primary receipts continue to be small compared with last year: 606,000 bushels; and they were 1,080,000 bushels in 1931. Canadian marketings are heavy, 407,000 bushels. There were no clearances whatsoever today.

Corn was a trifle lower in sympathy with wheat. Oats and rye hardly changed.

UHLMANN GRAIN CO.

# DAILY MARKET LETTER

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FORT WORTH GRAIN AND COTTON EX.

Jan 29 1932

Liverpool wheat cables were a trifle higher today, but played no part as an influence in our wheat market. Little attention also was paid to a possible war scare; weather conditions were the dominating influence today to such an extent that even an extremely weak stock market was ignored. Weather was decidedly colder in the Southwest and temperatures averaged between5 and 32 above during the night, with the exception of one place in Nebraska, Hastingsk where the temperature went to 5 below. During the day, however, alarming reports about low temperatures came from Kansas, with still colder wather predicted; this made the trade so excited that even enormous sales on part of brokers who pepresent the Farm Board had no effect. mThe amount of snowfall is insignificant. We, ourselves, do not believe that there is anything alarming in the situation as yet. If we should have extraordinary weather and temperatures below zero, there no doubt would be some damage done, but there is nothing yet to indicate that the winter killing will exceed the average amount of 10% or so.

In the meantime, as far as export business is concerned of our wheat carryowers, the last two years we have taken away all possibilities, with Liverpool wheat selling 6¢ cheaper than us; in fact, if we had built a Chinese wall around us, or if the United States would pass a law prohibiting the export of United States wheat it would hardly be any more effective than the actual quotations. In other words, there is a world market in which all exporting and importing countries take part, and there is another market in which the United States alone participates, which is on an entirely different level, taking freight charges, etc. into consideration.

Pprimary receipts of wheat, while a little better make a poor comparison with last year, being 800,000 bushels whereas in 1931, they were 1,260,000 bushels. We believe this will continue all during the year, as the northwestern movement is bound to be much lighter than last season due to the poor crop. There were no wheat clearances today whatsoever. Broomhall gives the official acreage in India as 32,437,000 acres compared with 31,000,000 last year. However, we do not consider this very important, as India has been practically no factor for years, and consumes practically all the wheat she raises at home, particularly in years of low prices.

Stocks at Kansas City, Duluth and Minneapolis show an increase so far for the week of 580,000 bushels. Canadian marketings were 556,000 bushels, which is very heavy, but nevertheless that market followed ours during most of the session, undoubtedly influenced by the fact that a shorter winter wheat crop here would benefit them.

Corn, oats and rye all sympathised with the advance in wheat.

UHLMANN GRAIN CO.

# DAILY MARKET LETTER

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FORT WORTH GRAIN AND COTTON EX.

Jan 30 1932

Liverpool wheat cables today followed our full advance of yesterday. The Japanese-Chinese war news is still disquieting, but the chief dominating influence is the weather, which is very cold in parts of the Southwest, with still colder weather predicted for tomorrow in the East. Under these circumstances, the bull had the best of the argument for the day, and consequently we had a very strong opening. However, the short interest has been very largely eliminated and we doubt if it ever was quite as small as it is now. Therefore, the market needed new buyers, which were not forthcoming. We generally have our sharpest fluctuations during crop scare markets, but these mostly come as mentioned above, from scared shorts. After a while there was some realizing and the market closed at a considerable decline.

The action of today's market shows more plainly than ever that actual old crop conditions cannot be ignored. The fact that we gradually increased our carryovers in 1929, 1930 and again this year will be felt more and more as we approach the new crop. We have repeatedly pointed out that we are looking forward to a carryover of over 400,000,000 bushels, and in checking our figures over again we find that they cannot fail to be correct unless it were in the consumptive figures, and we think even in those estimates we have been liberal. Taking the view that the crop was about 30,000,000 bushels larger, that our exports will be 20,000,000 bushels less than last season, and that last year we added to our carryover 50,000,000 bushels, we can only come to the conclusion that this year the addition ought to be 100,000,000 bushels, which would make the carryover 435,000,000 bushels; by deducting 35,000,000 bushels for possible errors we arrive at the above result.

Now, in making our estimate on the consumption, the same as last year, it must not be forgotten that last year the consumption of wheat for animal feeding was extremely heavy, as at that time corn started at prices way above the wheat level and was a very scarce article.

Primary receipts of wheat were pretty fair today- 758,000 bushels, altho rather small as compared with 1,114,000 bushels last year. Clearances today were 271,000 bushels, all from New Orleans and New York. Kansas City, Duluth and Minneapolis stocks show a net decrease of 549,000 bushels, indicating a moderate decrease in the visible supply on Monday. Canadian marketings keep up well, being 475,000 bushels. We believe, however, that this colder weather will cause them to diminish somewhat.

Corn, oats and rye were all weaker in sympathy with wheat. As far as corn is concerned, on the one hand the movement which was impossible with the mild weather will take place now, and heavier receipts are expected; on the other hand, the colder weather will increase consumption considerably.

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# DAILY MARKET LETTER

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FORT WORTH GRAIN AND COTTON EX.

Feb. 1, 1932.

Liverpool wheat cables were comparatively strong before our session opened, and immediately after they advanced, closing considerably higher than Saturday, which was compared to our Saturday's decline. The strength abroad undoubtedly was caused by the far eastern situation, and when our newspapers this morning had headlines that an American plant was being bombarded at Shanghai, war scare was the dominating influence and advances were very sharp; however, there was a considerable reaction and a calmer feeling at the close.

During the session we were frequently asked what we thought about the war news. The writer remembers the stand he took before the Great War. During his experience there has been about fifty war scares and he being foreign born was often consulted as to his opinions. He invariably answered that he did not believe there would be an important war, and being questioned further as to his reasons he said that if he said there would be no war probably 49 times out of 50 he would be right and once he would be wrong, so his percentage would still be very good. We think anybody who takes this position now will be safer than the one who believes in every war scare.

Now, as to the effect of War should it be confined to Japan and China; the experience of their last war had no appreciable effect on wheat prices except that the price was considerably lower when peace was declared than when the war started. Should other big nations become involved the matter would be so complicated that nobody can yet express an opinion.

As far as the general news is concerned, world's importations were only 14,241,000 bushels compared with 16,945,000 bushels last year. Nevertheless, the amount on passage increased again and is now over 50,000,000 bushels against a little over 37,000,000 bushels last year. Open interest in wheat is hardly changing, and last Saturday was a little over 112,000,000 bushels compared with practically the same amount the week before. The visible supply decreased 2,297,000 bushels versus an increase last year of 761,000 bushels, but it is still very formidable- over 204,000,000 bushels, and about 50,000,000 bushels larger than last year.

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February 1, 1932

Canadian marketings 574,000 bushels, which is very large considering the bad weather and that there is supposed to be only 25,000,000 bushels of wheat left in farmers' hands. Primary receipts of wheat are light: 1,196,000 bushels compared with 2,122,000 bushels last year. The decrease is entirely in the northwest. In the southwest the movement is large. There were no clearances whatsoever today.

We are still of the same opinion: that sooner or later, war or no war, we shall have to go to an export basis; and that Liverpool will have to gain on usfully 15 cents per bushel. Therefore, the spread of buying Liverpool wheat and selling ours will prove very profitable, according to our view.

In 1929 we kept our wheat above an export basis because the farm board started its purchases. In 1930 they brought about the same result by stabilizing the market. In 1931 we still kept up our prices because the farm board sold about 50,000,000 bushels to foreign governments and got rid of that much wheat, although we were out of line. However, we do not believe that anything will happen in 1932 that will keep us out of line for export, and whatever the world's markets may be, ours will be the same.

Corn, oats, and rye all profited from the strength in wheat. However, corn offerings were considerably larger: about 175,000 bushels were worked to Chicago because the roads were in better condition; and we think we shall have a much larger movement from now on.

# DAILY MARKET LETTER

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FORT WORTH GRAIN AND COTTON EX.

Feb. 2, 1932.

Liverpool wheat cables were a trifle lower today, and the far eastern situation was a little more reassuring. Early in the sesson it was reported that an armistic between Japan and China for three days was in sight to settle their differences. Anyhow England, who is usually well posted on international politics, was not alarmed. Weather was more favorable, milder temperatures were reported everywhere, and it is the general opinion that the cold wave so far has not done any material harm. Consequently, our market sagged a little, but declines were unimportant.

The trade in general is very careful on both sides; with so many complicating factors effecting the market just now nobody wants to be too positive for the immediate future.

United States wheat stocks in Canada, decreased only a few hundred bushels and are still 24,000,000 bushels larger than last year, and including this item, total commercial stocks are 39,000,000 bushels above those of 1931. These stocks, in addition to what we know to be large holdings on part of millers and more than the usual amount in farmers' hands, are causing these depressions in the market, and it seems that May wheat which had touched the 60¢ level or above six or seven times during the last week could not maintain that price.

Primary receipts today were 769,000 bushels compared with 976,000 bushels last year- quite good in the Southwest. Clearances only 32,000, bushels from New York. Farmers' deliveries in Canada 384,000 bushels. This is very big considering the small amount which is supposed to be left in farmers' hands and the very cold weather, which is not conducive to a big movement. Stocks at Kansas City, Duluth and Minneapolis so far show an increase for the week of 45,000 bushels.

Bradstreet's visible decreased during the week 1,884,000 bushels compared with an increase last year of 3,585,000 bushels; total stocks are now approximately 472,000,000 bushels versus 449,000,000 bushels a year ago.

The corn movement promises to be better, causing a weaker feeling in that cereal. Rye and oats declined slightly in sympathy with wheat.

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# DAILY MARKET LETTER

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FORT WORTH GRAIN AND COTTON EX.

Feb. 3, 1932.

Liverpool wheat cables were quite strong before our opening and much higher than due. No special reason was given, but it is only natural that English markets would gradually become stronger, as their stocks are no longer exorbitant, and their prices are ridiculously low. We do not know whether the War news had anything to do with it, but the fact that almost their total advance was lost before the close shows very plainly that no particular significance should be attached to temporary fluctuations.

Kansas was again visited with colder weather, altho in parts it was accompanied by snow, and the colder weather made the trade a little apprehensive. Consequently, the opening of our market was higher and the tone fairly steady during the whole session, altho the final advance was not very considerable.

The moisture situation in Canada is extraordinarily favorable; average rain fall during the month of January was 0.81 which had not been exceeded since 1923, and only equalled once in 1925. The total average for the months since September is 5112 compared with 4.42 which is a normal amount.

General mills gave the flour production so far this season of 90% of the mills in the principal flour producing centers of this country as 43,678,000 barrels compared with 48,363,000 barrels last year, or a decrease of 4,700,000 barrels. However the decrease of exports is possibly 3,000,000 barrels, so the total net decrease for home consumption is not very large, but it shows to us that in hard times consumption of flour is decreased to some extent; not so much because people actually eat less, but they become less wasteful.

We received reports from Buffalo showing that afloat stocks of all kinds of grain are 20,000,000 bushels, and there was in store 26,000,000 bushels, or a total of 46,000,000 bushels with storage capacity of only 28,000,000 bushels. There are still 17,000,000 bushels of wheat afloat, of which 6,000,000 bushels are American wheat and 11,000,000 bushels Canadian wheat. This all will have to be unloaded before the opening of navigation and the outlook for American wheat is very poor as it cannot be exported at the present time.

Bradstreet's exports are reported on the ticker from New York as follows: This week 4,635,000 bushels compared with 5,255,000 bushels last year, and a total this year of 177,795,000 bushels versus 230,660,000 bushels a year ago, or 53,000,000 bushels less. According to Broomhall our exports are larger, but the two figures never jibe. Primary receipts of wheat today are 556,000 bushels against 1,237,000 bushels a year ago. Canadian marketings are 282,000 bushels. Clearances of wheat, only from Baltimore, are 165,000 bushels. Kansas City, Duluth and Minneapolis so far show a net decrease of only 21,000 bushels.

Corn receipts show an increase and that market declined accordingly. Oats and rye showed very little change.

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# DAILY MARKET LETTER

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FORT WORTH GRAIN AND COTTON EX.

Feb. 4, 1932.

Liverpool wheat cables were quite strong today, but as we have pointed out repeatedly, Europeam markets are so low, and inasmuch as the only countries which can afford to sell wheat on a large scale at these prices are Argentine and Australia, it is only reasonable to suppose that they would improve. However, their advances are no justification for our market to follow, as otherwise we would never come in line for export on our huge surplus. The adjustment is bound to come, and it is our opinion that we shall probably meet half way. Even with our declines today, Liverpool is still 2 1/2¢ under our market, and therefore, there will have to be an adjustment of easily 15¢ per bushel, or more, before Chicago wheat can be exported at a profit.

How badly we need this export business is shown again by the division of last week's exports of North American wheat; while Canada exported 3,531,000 bushels the United States only exported 1,321,000 bushels- this of course mostly Farm Board wheat, but even at this rate we would hardly export more than 30,000,000 bushels for the balance of the crop year, or for the whole year about 115,000,000 bushels. Now, if we deducted from this figure approximately 50,000,000 bushels of wheat which had been sold by the Farm Board to Governments on distress, and if we furthermore deducted the flour business and the business done west of the Rockies for the Orient, it shows very plainly how little the ordinary exporter participated. The only legitimate business he could do was the beginning of the crop when there was a surplus of wheat in the Gulf states which had to be exported and could not be shipped North.

The general news today was a little more bearish; the war danger in the East was not any greater, temperatures were hardly less than normal and there was quite a good deal of snow in this territory and in the East where it is more needed; the soft winter plant is much more susceptible to damage from freezing than the hardier wheat plant in the southwest.

Black Sea shipments this week were very light- 584,000 bushels, which include 408,000 bushels fromSouth Russia. This compares with 1,480,000 bushels last year. Argentine shipments are estimated this week at 4,226,000 bushels against 3,611,000 bushels a year ago. Canadian marketings are still quite fair- 280,000 bushels. Stocks at Kansas City, Duluth and Minneapolis decreased so far this week 110,000 bushels, indicating a smaller decrease in the visible supply than last week. Clearances were only 56,000 bushels. Primary receipts of wheat 700,000 bushels compared with 1,095,000 bushels the previous year.

The fact that Liverpool July is selling at 2 1/2¢ over their May shows that they feel their supplies will be very large right into the new crop. Also the fact that #1 hard wheat is offered at 60 1/4¢ there and considered by them as too high compared with other grades of wheat, or practically at our May price, shows the poor outlook for export of Americam wheat.

Corn, oats and rye all sympathised with wheat and closed lower.

UHLMANN GRAIN CO.

# DAILY MARKET LETTER

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FORT WORTH GRAIN AND COTTON EX.

Feb. 5, 1932.

Liverpool wheat cables were somewhat lower before our session opened today, and were extremely weak before the close. This, as we have pointed out many times before, is a very serious situation, because we cannot consume our large surplus in this country and must export it sooner or later; the longer this is delayed the more difficult it will be to effect sales as there are only about 4 1/2 months left until the new Texas wheat crop will come on the market.

While there has been a slight improvement in the comparative value lately, our May wheat is still about 3¢ higher than Liverpool. In the meantime, the technical wheat situation here is getting worse; longs are being discouraged, shorts have been scared right along and the short interest is at a minimum. Consequently the long interest represents mostly the quantity of wheat which had been hedged or sold here on spreads, and as the domestic situation is also getting poorer and millers are not anxious buyers no important hedges are taken out of the market. Therefore, every time any large line of wheat comes on the market it has its depressing effect, and it is not likely that under the circumstances new buyers will replace the old ones who are liquidating.

Australian shipments 4,665,000 bushels, very much the same as last year; and the total world shipments so far known from Argentina, Australia and the Black Sea 9,462,000 bushels- also much the same as last year. With about 5,500,000 bushels prospective shipments from North America will give the needed quantity for Europe and non-European countries.

Weather was more moderate, and there are no damage reports as yet, but of course very often it cannot be established whether freezing weather had been harmful or not until the growing period sets in.

Primary receipts of wheat today 989,000 bushels compared with 1,240,000 bushels last year. Canadian marketings 272,000 bushels. Wheat clearances, only from Galveston, 128,000 bushels. Stocks at Kansas City, Duluth and Minneapolis decreased so far for the week 305,000 bushels, which is very moderate.

Corn, oats and rye all were lower in sympathy with wheat.

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# DAILY MARKET LETTER

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FORT WORTH GRAIN AND COTTON EX.

Sat
Feb. 6, 1932.

Liverpool wheat cables were practically unchanged today, except that their July delivery was a trifle higher; little attention was paid to same, and other news was also very scarce. The trade is getting used to the Chinese-Japanese disturbance and little heed is paid to that news, and we think will not be unless matters should become more serious. Foreigners also seem to be indifferent as to the consequences of the desultory fighting.

The weather at the present time is causing no alarm; and it is generally believed that the short cold wave which we experienced has done no serious damage. Furthermore, there has been more or less moisture in various parts of the winter wheat district, and there is no reason at the present time to suppose that the crop outlook is not about normal.

In the meantime, it is more and more generally recognized that fundamentally the wheat situation is inherently very unsound, and we cannot build up on such a poor foundation.

Our average carryover- from 1920 to 1928 inclusive was 126,000,000 bushels of wheat, and on the first of next July it will easily be three times as much. This is bound to have a very serious effect on next year's prices of wheat. Then again, we are 3 cents higher than Liverpool, whereas we should be from 10 to 12¢ discount. This excludes all legitimate business, and therefore instead of correcting a bad situation we are making it worse all the time. Under these circumstances, we see nothing in prospect to change our very bearish views unless something very abnormal in the way of crop damage should occur in several of the important wheat-raising countries.

Canadian wheat marketings are still very heavy- 286,000 bushels. Clearances, all from New Orleans, were 265,000 bushels. Primary receipts 928,000 bushels compared with 1,398,000 bushels last year. Stocks at Kansas City, Duluth and Minneapolis show a decrease of 8,000 bushels, thus indicating a comparatively small decrease in the visible supply.

Corn receipts are increasing, but the feed demand remains poor. Hog prices are very low, and feeling remains moderately bearish, but are neglected and vary but little.

UHLMANN GRAIN CO.

# DAILY MARKET LETTER

MEMBERS:
ICAGO BOARD OF TRADE
YORK PRODUCE EXCHANGE
YORK COCOA EXCHANGE
ORK COFFEE AND SUGAR EX
YORK RUBBER EXCHANGE

UHLMANN GRAIN COMPANY
141 W. JACKSON BLVD.
CHICAGO

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

Feb. 8, 1932.

here was just a slight ray of sunshine in the cables today, which ame higher, and with our somewhat lower market the difference etween Liverpool and Chicago narrowed down to about 2¢ discount or their May wheat and ours, whereas it had been as high as 6¢ bushel, and lately from 3 1/2 to 4 1/2¢. Of course, this arrowing is nothing to boast of, but at least it is a step in the ight direction, as we feel that sooner or later these two markets ill have to change to the extent that our wheat will sell about to 15¢ discount-- this may be the beginning.

e have pointed out repeatedly that Liverpool wheat is very cheap id that it is not likely that their prices will be more depressed, possibly we shall meet half way and come down again to a basis here some export business can be done. How necessary this is, as been made clear today by a report from the Agricultural epartment, which gave out some startling figures. At that they re no different from what the trade could have known ght along, as we, ourselves, pointed out in our arket letter of January 30th that it looked to us like a carryver of about 435,000,000 bushels, and judging from this report oday the Government indicates that there might be 434,000,000 ishels left over on July 1st. They state that the United States as a surplus available for export and carryover of 429,000,000 ishels against 355,000,000 bushels last year the same date, or 5,000,000 bushels more. As there are also 25,000,000 bushels ore United States wheat in Canada, there must be 100,000,000 ishels more available at the present time than in 1931, and we ertainly will not export any more than last season, so there ought o be available almost 100,000,000 bushels more wheat on the first f July than last year. They gave the farm board holdings at 80,000,000 bushels which we estimate will be reduced by July 1st o 144,000,000 bushels; consequently, the farm board holdings July 1st will be 100,000,000 bushels less than in 1931, and herefore there ought to be 200,000,000 bushels more free wheat his year than there was last. As the carryover last year of nited States wheat in both United States and Canada was 34,000,000 bushels and if we add the 100,000,000 bushels there ught to be 434,000,000 bushels this year, which figure you will ind mentioned very frequently in our letters, as it had been our stimate right along. This discredits all the ridiculous estimates bout a large amount of farm feeding. Common sense must have told verybody that in years when feedstuffs are plentiful there is not excessive amount of wheat fed. This was our theory right long, based on many years' experience.

orld shipments this week 15,800,000 bushels, and almost 1,000,000 ishels larger than last year when they were 14,900,000 bushels, he amount on passage increased again almost 4,000,000 bushels, d is now 54,000,000 bushels compared with 42,000,000 bushels ast year, or 12,000,000 bushels larger. Clearances were heavy oday- 475,000 bushels from Galveston. Primary receipts were etter- 1,570,000 bushels against 2,074,000 bushels last year. The isible supply decreased this week 452,000 bushels compared with n increase last year of 934,000 bushels, but it is still almost 04,000,000 bushels, or 11,400,000 bushels larger than a year ago. anadian farmers' deliveries are still very heavy- 284,000 bushels, articularly as there are supposed to be only 23,000,000 bushels f wheat left in farmers' hands.

he difference between May and July wheat shows a tendency to iden, and March wheat is offered at 3¢ under May which is almost full carrying charge.

orn was under pressure in a moderate way, and the movement from owa was said to be on the increase, which further discouraged olders.

UHLMANN GRAIN CO.

# DAILY MARKET LETTER

MEMBERS:
ICAGO BOARD OF TRADE
YORK PRODUCE EXCHANGE
YORK COCOA EXCHANGE
ORK COFFEE AND SUGAR EX
YORK RUBBER EXCHANGE

UHLMANN GRAIN COMPANY
141 W. JACKSON BLVD.
CHICAGO

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

Feb. 9, 1932.

iverpool wheat cables were stronger today, and the Winnipeg
arket also was reasonably firm, while our futures declined.
his is all in line with what our readers must have expected
rom the information we have furnished right along. It was im-
ossible to think that the United States could be independent
rom the balance of the world; those who had made spreads
hich we suggested are realizing some profits now, but we be-
ieve that Winnipeg will still gain considerably on us, and so
ill Liverpool, which is still 1¢ lower than us.

he statement from the Agricultural Department regarding the very
arge world's carryover had a very depressing effect. The quan-
ity of 970,000,000 bushels, which was given as being available
or importing countries, would cover requirements of importing
ations for 64 weeks, at the rate of 15,000,000 bushels a week,
r until about April 1st, 1933. If we add to this the probable
hipments from Russia, the Balkan States and sundry countries,
r over 100,000,000 bushels of wheat, it would last until
une 1st, 1933. However, there are new crops coming on in the
nited States and Canada, later on Argentina and Australia,
tarting July 1st, 1932; so there is an abundance of wheat
verywhere, and the United States will have to change its mer-
handizing policies. We have exported this year probably one-sixth
f the world's exportations, and will carry over about twice as
uch as all the other countries together.

here were some further details furnished today of how the
igures were arrived at as far as the United States is concerned,
nd were construed as very bearish by the trade, altho they are
ot any more so than we had indicated yesterday. Of course,
hose who had hoped that we would feed considerably more wheat
o animals than last season must have been terribly disappointed,
s the Department estimates that consumption for food, feed and
eed will be 16,000,000 bushels less this year than last year.
n analyzing their figures we arrive at the following results;

| | | |
|---|---|---|
| otal consumption, including feed and seed | 708,000,000 | bushels, |
| et exports up to January 1st | 60,000,000 | " |
| or a total of | 768,000,000 | " |

educting this from 892,000,000 bushels would still leave
24,000,000 bushels. We doubt very much whether our exports from
anuary 1st to July 1st will exceed 6,000,000 bushels a month,
r 36,000,000 bushels, leaving an addition to our carryover of
8,000,000 bushels, and this together with last year's surplus
f 334,000,000 bushels would give us 422,000,000 bushels on
uly 1st to start in with.

rade is still very light, and there has been no heavy liquidation
s yet on part of those who had accumulated big lines sometime
go; this we believe has to come yet. Therefore, look for still
ower values. If it comes about it may be a blessing in disguise,
t will increase our export business and make it much easier to
andle the 1932 crop.

anadian marketings are keeping up large- 300,000 bushels.
learances, only from Philadelphia, are 8,000 bushels. Kansas
ity, Duluth and Minneapolis stocks decreased 156,000 bushels.
rimary receipts wheat were light, 698,000 bushels compared with
,076,000 bushels last year.

UHLMANN GRAIN CO.

# DAILY MARKET LETTER

MEMBERS:
HICAGO BOARD OF TRADE
YORK PRODUCE EXCHANGE
W YORK COCOA EXCHANGE
ORK COFFEE AND SUGAR EX
V YORK RUBBER EXCHANGE

UHLMANN GRAIN COMPANY
141 W. JACKSON BLVD.
CHICAGO

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

Feb. 10, 1932.

Liverpool wheat cables were just a trifle lower today, which was rather disconcerting, as the decline came in spite of a weakness in sterling exchange which should have given their futures some strength.

Our market here was somewhat higher, largely influenced by prospective weather conditions. The last few days weather has been extremely mild, and temperatures in parts of the Southwest were very high for this time of the year. There are some very low temperatures in Alaska, with the possibility that our atmospheric conditions might consequently change before very long. Our own weather expert does not think we shall have radically cold weather, because the barometer in this northern part is not very high; therefore, pressure will not be so very great, but nevertheless he expects much colder weather by Friday or Saturday, altho possibly not dangerously low. Freezing and thawing at this time of the year is not particularly good for the plant and may do some damage; whether such damage is likely to be above normal, or not, of course, remains an open question. However, it induced short covering, and the trade being very light it was not difficult to establish some advance.

Bradstreet's clearances are considerably better than last week, but yet a trifle smaller than last year as follows:

| | | |
|---|---|---|
| This week | - 6,101,000 | bushels |
| Last " | - 4,635,000 | " |
| Last year | - 6,694,000 | " |

From July 1st up to date- about 184,000,000 bushels compared with 237,000,000 bushels a year ago, which would make a decrease of 53,000,000 bushels. However, Broomhall, who also collects export figures, makes the North American clearandes larger, and the difference in comparison with last year somewhat smaller.

Canadian marketings are still heavy, 352,000 bushels. Kansas City, Duluth and Minneapolis stocks show a net increase so far this week of only 83,000 bushels. Clearances from Galveston, 518,000 bushels. Primary receipts of wheat are small- 612,000 bushels versus 1,153,000 bushels last year.

Trade in coarse grains was extremely light; corn and oats weakened at first in sympathy with wheat but recovered later.

UHLMANN GRAIN CO.

# DAILY MARKET LETTER

MEMBERS:
ICAGO BOARD OF TRADE
YORK PRODUCE EXCHANGE
YORK COCOA EXCHANGE
ORK COFFEE AND SUGAR EX
YORK RUBBER EXCHANGE

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141 W. JACKSON BLVD.
CHICAGO

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

Feb. 11, 1932

Overnight news was rather bullish. Liverpool wheat cables were very strong, Black Sea shipments were extremely light, being only 440,000 bushels compared with 2,192,000 bushels last year. Weather was mild everywhere, with colder temperatures predicted, but not sufficiently to cause any alarm.

A new feature has been injected into the wheat market; namely, a law is contemplated in Congress enabling the Federal Reserve Bank to make loans on certain collateral, which at present it cannot do. In other words,means will be created to make borrowing easier.

This is about the fourth or fifth law which either has been passed, or is proposed for action, to make it easier for borrowers. First, the National Credit Corporation had been formed with a $500,000,000. capital; then the Reconstruction Finance Corporation, which finally will have at its disposal $2,000,000,000.; then there are other bills, like the Farm Loan Banks, to be assisted with more money, and other ideas about advancing money for building homes, etc. This naturally creates the idea that we are in for a period of inflation. The question is, how will inflation effect stocks and commodities?

So far all these various bills have not yet brought about any inflation, and whether this last one will do it or not remains to be seen. The reason is very plain; all the big and good banks in this country are not short of money, and are in a position to accommodate the deserving borrower; on the contrary, the banks are more worried what to do with their surplus funds and how to invest them safely, than anything else. Therefore, all these previous bills have not yet demonstrated that business had been helped thru them; possibly cutting expenses and reducing taxes would have a permanent effect.

Now, assuming that we should have inflation, what would it do to the various commodity markets? They cannot all be classified in the same category. Inflation naturally means higher prices for all domestic products and ought to be helpful to corn, oats and rye, but whether it will be any help to wheat is a different proposition. Wheat is a world's article, and unless the whole world inflates it will not help our export business, and without it wheat cannot be advanced, in our opinion. The best proof of this was the experience we had during the War, when in spite of the greatest inflation, certain products did not share in it, because the quantity produced was too much for the consumption, like for instance coffee. Inasmuch as several of the European powers could not buy coffee that article never improved, but advanced immediately when the inflation stopped and when there was a general market for it.

Considering all this news and an enormous advance in stocks- as much as 10% of their value on a great many issues- wheat did not make a good showing, advancing only very moderately. It was good judgment that corn and oats did comparatively better based on inflation ideas.

Kansas City, Duluth and Minneapolis increased so far this week, 92,000 bushels. Primary receipts of wheat were 636,000 bushels, and no comparison can be made with last year as it was a holiday. Canadian marketings are keeping up heavy, 340,000 bushels. Clearances, only from New York, 125,000 bushels.

UHLMANN GRAIN CO.

# DAILY MARKET LETTER

MEMBERS:
ICAGO BOARD OF TRADE
YORK PRODUCE EXCHANGE
V YORK COCOA EXCHANGE
ORK COFFEE AND SUGAR EX
V YORK RUBBER EXCHANGE

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MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

Sat
Feb. 13, 1932.

Liverpool wheat cables were strong today and more than 1¢ higher than at the close Thursday, while yesterday, during our holiday, there was a decline of 1/2¢. This advance came in spite of very heavy Australian and Argentine shipments, which including shipments from Russia, amounted to almost 10,000,000 bushels, and with North American shipments, will be plenty for immediate supplies.

The reason for the strength abroad was mostly due to the proposed Glass Bill. Shorts abroad were very much scared, and the European trade has temporarily become very bullish, figuring on an inflation here.

We feel that if we follow these European advances there never will be an adjustment between their market and ours; it ought to help the Winnipeg market more than ours, but finally, inflation or no inflation, we shall be compelled to go to an export basis and dispose of our wheat, or else we shall continue to accumulate and make the situation worse than it was before.

As a further incentive for higher prices here, was the extreme advance in Wall Street stocks, and following the rise of Thursday some of the advances were quite sensational . This, of course, was bound to create bullish enthusiasm, and our final close showed a very good advance. Grain statistics were ignored for the time being. Nobody can tell as yet just how much inflation will take place and how it will work temporarily; later on actual conditions will come to the front again.

Weather seems to be extremely favorable, temperatures have not declined to a point where there are fears of any serious damage to the winter wheat plant, and snows and milder temperatures are in sight over Sunday.

Stocks at Kansas City, Duluth and Minneapolis show an increase so far of 388,600 bushels; therefore, looks like a small decrease in the visible on Monday. Primary receipts today were 1,372,000 bushels compared with 1,169,000 bushels last year, but this year the receipts are for two days on account of the holiday yesterday. Clearances from New Orleans 157,000 bushels. Canadian marketings were 277,000 bushels.

The feeling in coarse grains is more bullish than in wheat, because there are no burdensome stocks, and corn, oats and rye are more a domestic proposition.

UHLMANN GRAIN CO.

# DAILY MARKET LETTER

MEMBERS:
CAGO BOARD OF TRADE
YORK PRODUCE EXCHANGE
YORK COCOA EXCHANGE
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YORK RUBBER EXCHANGE

UHLMANN GRAIN COMPANY
141 W. JACKSON BLVD.
CHICAGO

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

Feb. 15, 1932.

Liverpool wheat cables were very strong today, and there is no question that foreigners also have been buying our futures ever since the inflation talk started. Europe has had such experiences with inflation that the very idea of it would scare shorts beyond measure and induce those who believe the United States will start in this direction, even only mildly, to make purchases. Everyone knows what happened in Germany when inflation went to the extreme, and when finally a bushel of wheat probably was worth one million Marks, yes, even one billion Marks in their currency. In France at one time the exchange depreciated to about 50 Francs to the dollar, whereas the normal was five Francs, . so consequently their values rose to about ten times the pre-war level. Of course, nothing like this is in sight here, but one can easily put one's self in the frame of mind of the foreigners when they hear the word "inflation".

This possible inflation here has also been the great guide in our market for the last two or three days; supply and demand conditions were ignored, the more favorable weather in the Southwest also was hardly mentioned, nobody talked anymore about the Japanese-Chinese War, Several of the statistical agencies in their letters to their readers rather gave the impression that the proposed Glass measure was suggested more for averting a disaster than to start a real currency inflation, altho an increase in currency would have the tendency, to at least a smaller extent.

The further question naturally would be, how much would it affect the different commodities? As far as wheat is concerned, altho Liverpool and Chicago have finally come very close together, (Liverpool is no longer at a big discount), it is already inflated from 10 to 20%. Furthermore, it will be more difficult to advance prices on commodities which must be exported where there is a large exportable surplus, than on those which can be classified as domestic commodities.

The fact that the stock market was somewhat lower changed sentiment considerably, and nobody is quite sure how the new policy will work out; therefore somewhat lower markets.

Minneapolis stocks decreased 75,000 bushels so far this week. It seems the farm board is selling spring wheat quite freely now, and millers can buy at a better discount under Chicago than heretofore. Primary redeipts today were quite heavy- 1,420,000 bushels compared with 1,866,000 bushels last year. Clearances were light, ohly 32,000 bushels from New York. Canadian marketings were heavy- 353,000 bushels, when there are supposed to be only 22,000,000 bushels left in farmers' hands. The open interest in May wheat decreased over 2,000,000 bushels on Saturday, and it is now 77,000,000 bushels. The visible supply decreased 1,238,000 bushels this week compared with an increase last year of a little ower 2,000,000 bushels; it is now only 9,000,000 bushels larger than last year.

Corn stocks continue to increase, not so much on account of heavier receipts, but on account of extremely poor demand. The visible supply is now 8,380,000 bushels compared with 3,033,000 bushels a year ago. Cash corn is selling at a big discount, and good carrying charges are in sight. This is somewhat difficult to overcome.

Oats and rye declined in sympathy with the other cereals.

UHLMANN GRAIN CO.

# DAILY MARKET LETTER

MEMBERS:
CAGO BOARD OF TRADE
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MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

Feb. 16, 1932.

Liverpool wheat cables were extremely weak from start to finish, and weather was particularly favorable over the Southwest and everywhere else; there was lots of moisture, temperatures are moderate, and we should say that the crop prospects at the present time in hard winter wheat districts are quite good. Consequently, our market opened lower, but shortly thereafter several rumors were handed around, none of which are confirmed, but yet they had their effect. One of them was that the Administration was changing on the prohibition question, and another one, that the Farm Board had sold a large quantity of wheat to China on credit, which will be financed by the Reconstruction Finance Corporation. We repeat again that no quantity has been given, nor has it been confirmed, and we do not know whether such a sale has taken place or not.

Stocks were also very strong and a great deal of talk is taking place about inflation and what it will do to values all around. The result was that shorts had to cover hurriedly, and the longs added to their lines, making an extremely strong market up to the close. Whenever such a fever sets in, no one knows just when it will run its course, but in the meantime we are getting out of line with other markets again- Liverpool being at the close about 3 1/2¢ under us, and Winnipeg also has lost ground compared with our futures.

Broomhall's division of last week's exports of 5,247,000 bushels gives the United States 2,112,000 bushels and Canada 3,135,000 bushels. Primary receipts today were 635,000 bushels compared with 1,058,000 bushels last year. Bradstreet's visible supply decreased this week 1,337,000 bushels against an increase last year of 5,342,000 bushels. The total is now 471,000,000 bushels- about 13,000,000 bushels larger than a year ago. Clearances were 54,000 bushels- all from New York. Canadian marketings continue to be quite good at 261,000 bushels.

Corn sympathised with wheat, altho the country was a much freer seller, and about 100,000 bushels of corn were sold to arrive.

Oats and rye also advanced.

UHLMANN GRAIN CO.

# DAILY MARKET LETTER

MEMBERS:
AGO BOARD OF TRADE
ORK PRODUCE EXCHANGE
YORK COCOA EXCHANGE
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MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

Feb. 17, 1932.

Liverpool wheat cables came strong today, altho they did not follow our full advance of yesterday. Europe is very much puzzled with the wheat situation in this country. From their point of view supplies are plentiful everywhere, they have no immediate trouble in obtaining all they need, and prospectively they also are not alarmed that the large supplies will not continue, except if there should be serious crop disasters. Nevertheless, at times they see our market advance 1 and 2¢ per bushel, and not being able to understand these sudden outbursts of bullish enthusiasm they easily become scared; particularly so, as the word "inflation" has been injected into the situation, and their experiences during the War and during the post-war situation were such that inflation has a terror for them. They have seen currency so depreciated, and in consequence commodities advance so rapidly, that they pay a great deal of attention to the slightest indication that anything of this kind could happen in this country.

Various rumors which were responsible for our rise yesterday were all denied today; there were no sales made on part of the Farm Board of wheat to China, nor did the President mention anything in his message about prohibition. The weather continues favorable over the winter wheat belt, temperatures are moderate and more precipitation took place at different points. This all caused a somewhat weaker feeling and at the close the concession in price compared with yesterday was quite considerable.

Primary receipts of wheat today were 700,000 bushels versus 1,311,000 bushels last year. Stocks at Kansas City, Duluth and Minneapolis so far show an increase of 252,000 bushels, chief increase being at Kansas City. Minneapolis itself decreased only 15,000 bushels, which is very small for such a large consuming market, and where receipts were so light, showing milling business must be very poor. Canadian marketings keep up at 330,000 bushels. Clearances were good, total 334,000 bushels.

Corn demand continues to be poor and stocks are accumulating. This cereal, as wellas oats and rye, could not withstand the weakness in wheat and closed lower.

UHLMANN GRAIN CO.

# DAILY MARKET LETTER

MEMBERS:
AGO BOARD OF TRADE
ORK PRODUCE EXCHANGE
ORK COCOA EXCHANGE
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MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

Feb. 18, 1932.

Liverpool wheat cables did not follow the full decline which had taken place here yesterday after they had closed. The comparative strength, while absolutely meaningless, gave us a firmer opening. During the day news was extremely scarce, and the market fluctuated within a very narrow range; smaller transactions deciding the course.

To illustrate more clearly the actual situation of wheat, we just want to point out that the further east one goes from Chicago and the more money it costs to ship wheat, the lower is the price at which it is selling. For instance, we figure that including charges here, fobbing charges at New York and freight, it costs about 13 1/2¢ to ship wheat to New York; yet it is selling there at a cent lower than our May price.

Then again altho ocean freights are very low, the wheat is not taken for ballast and its transportation costs something; yet it is selling cheaper at Liverpool than in New York.

There is only one answer to this. Those who own the wheat away from Chicago are willing to sell it at any reasonable price they can get for it. Those who have it in Chicago do not have to make a sacrifice, as they can always find speculators here who are willing to pay a speculative price, hoping that some one else will relieve them in time at an advance.

During the session the stronger stock market and rumors again concerning possible resumption of beer manufacture in the near future were an influence at times.

Black Sea shipments, all from South Russia, 408,000 bushels versus 1,896,000 bushels last year. Wheat clearances were light today- only 40,000 bushels from Baltimore. Canadian marketings continue heavy, 375,000 bushels. Primary receipts of wheat today came nearer to last year's than for a long time, with 932,000 bushels against 1,082,000 bushels last season. Stocks at Kansas City, Duluth and Minneapolis show an increase so far for the week of 351,000 bushels. It looks to us as if the decrease in the visible supply this week will be very small, as Buffalo shipped a great deal of wheat last week which is now beginning to show up at eastern ports.

Offerings were scarce right thru and the close strong.

Trade in corn, oats and rye was very light, but these cereals also showed some improvement in sympathy with wheat.

UHLMANN GRAIN CO.

# DAILY MARKET LETTER

MEMBERS:
AGO BOARD OF TRADE
RK PRODUCE EXCHANGE
ORK COCOA EXCHANGE
K COFFEE AND SUGAR EX
ORK RUBBER EXCHANGE

UHLMANN GRAIN COMPANY
141 W. JACKSON BLVD.
CHICAGO

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

Feb. 19, 1932.

Liverpool wheat cables were somewhat higher than expected, but, as mentioned before, Liverpool is so much out of line that their quotations should have nothing more than a sentimental effect. The bulls have been hoping now for about eight months that at one time or another Liverpool prices would advance sufficiently so that a normal export business could be done, but this has not materialized; in fact, there has hardly been any export business, except sales which were made by the Farm Board, and they were consummated regardless of Chicago futures.

The chief influence today, however, was the new ruling on part of the New York Stock Exchange, by which it will be more difficult for shorts to borrow stocks. This had the effect of short covering in Wall Street securities, bringing about advances in price, and wheat speculators are watching Wall Street quotations more than ever before, and are to a large extent guided by its movements in making commitments. Consequently, our market was very much higher and moderately excited at one time, but the best prices could not be maintained, and the close was about half way between the low and the high.

The actual wheat conditions are not changed any; in fact, if anything, the situation is getting more bearish. There is a very heavy movement now in the Southwest and the wheat is being hedged in quite fair volume; Kansas City alone increased its stocks over 800,000 bushels so far this week. Furthermore, the majority of crop reports are favorable, altho stress is laid on certain parts of western Kansas where the crop had a poor start and has probably never quite recovered.

The old rumor still persists regarding possibility of permission of beer production, but neither barley nor corn prices seem to be affected by it. Then hopes are expressed that stabilization wheat will be impounded, but we do not think there is one chance in fifty that this will take place. There is certainly no reason to do so now after the farmer has sold about 75% of his crop, and the prices of next year's crop would be more damaged by this action, than the few farmers who have wheat left would be benefited.

Primary receipts of wheat were again very large- 1,185,000 bushels versus 1,317,000 bushels last year. It must not be forgotten that last year they were also very large on account of the stabilization price. Stocks at Kansas City, Duluth and Minneapolis show an increase so far for the week of 580,000 bushels. Clearances were only 57,000 bushels, all from New York. Canadian marketings were 494,000 bushels, which is extremely heavy considering the small amount of wheat which is supposed to be left in farmers' hands in Canada.

The corn demand is extremely poor, as is also expressed by the fact that March corn is selling about 4¢ discount under May. Oats, rye and corn profited comparatively little from the strength in wheat prices or stocks.

UHLMANN GRAIN CO.

# DAILY MARKET LETTER

MEMBERS:
CAGO BOARD OF TRADE
YORK PRODUCE EXCHANGE
YORK COCOA EXCHANGE
RK COFFEE AND SUGAR EX
YORK RUBBER EXCHANGE

UHLMANN GRAIN COMPANY
141 W. JACKSON BLVD.
CHICAGO

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

Saturday
Feb. 20, 1932.

Liverpool wheat cables were a trifle lower today and were no influence. The Chicago May wheat future, after a week of rumors and all kinds of bullish incentives, closed 1/2¢ higher than the week before, but still at a **premium** over ~~under~~ Liverpool; and therefore the foundation is still very unsound. Not until Liverpool sells at about 10¢ over us may we think about selling wheat for export from Chicago territory; even then, only in small quantities for special purposes, as the actual difference ought to be about 15¢ higher than Chicago.

The chief influence today was a newspaper article giving a denial on part of the farm board that its wheat would be impounded and held off the market. They further give their holdings on February 1st as 175,000,000 bushels, compared with 20,000,000 bushels more October 1st. Should they continue to sell 5,000,000 bushels a month until thelst of July, they will carry over 150,000,000 bushels of wheat, the figure we had estimated right along. This is 100,000,000 bushels less than last year, and if there is 100,000,000 bushels more carried over then there will be 200,000,000 bushels more free wheat.

Stocks at Kansas City, Duluth and Minneapolis show an increase so far for the week of 787,000 bushels. Primary receipts were very big, being larger than last year, which has not occurred often lately; namely, 1,525,000 bushels compared with 1,098,000 bushels a year ago. There were no wheat clearances. Canadian marketings continue to be heavy at 496,000 bushels. We figure that Canada could ship 4,000,000 bushels a week until August 1st and it would still have a carryover of 118,000,000 bushels, so even that country does not seem to be able to get rid of its surplus.

With the very small exports this week it looks to us as if the visible supply next Tuesday might not decrease any, or at best, very little.

Corn offerings from the country were more liberal at 204,000 bushels, and the demand is very poor; therefore, a steady accumulation is going on. Cash corn sold as low as 6¢ under the May future.

Oats and rye were also weak and neglected.

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Feb. 23, 1932.

During the holiday a mixed trend was noted in foreign markets. Winnipeg, however, showed a marked tendency to improve prices, and the recent export business of Manitobas had led to the removal of more hedges than for some time past. Liverpool finally heeded the Canadian strength, and an announcement abroad of changes in the Italian quota permitting more foreign wheat to come in, also had a strengthening effect. The best prices, however, were not maintained in Liverpool, and when they closed they showed very little gain over last Saturday; this had a rather psychological effect upon certain speculators in our market, who camedown this morning inbued with the idea that it was the calendar time for making purchases in Chicago. What generally happens at this period of the year is that crop scares and good export business develop, and the combination is in favor of wheat holders. This year, however, we have a situation much the same as last year, altho more pronounced. Our values are above an export parity, the government instead of accumulating more wheat, which it did a year ago, is now offering for sale in domestic markets about 5,000,000 bushels monthly, which will mean that at the end of this season the farm board stocks will probably be about 100,000,000 bushels smaller than they were last year at the end of the crop. Of course, a reduction was also accomplished thru sales to foreign governments; but should our carryover be 100,000,000 bushels more, then the public will be carrying many more hedges, and in our opinion, it will take more than crop scares, but real damage in several countries, to bring about a betterment in prices.

Receipts of wheat have been running better in the Southwest, and the visible supply showed practically no decrease this week; the total now is about 7,000,000 bushels larger than last year- at 202,590,000 bushels. Clearances today were practically nothing- only 40,000 bushels, all from New York. Primary receipts for the three day period were 3,859,000 bushels compared with 2,629,000 bushels a year ago.

Winnipeg, in spite of a slight strengthening of her currency, was about 7¢ over Chicago, or the widest in some time, and this occasioned considerable unspreading by way of sales in their market and purchases in Chicago. We think that with Canada doing the export business that our market will continue to lag, and that finally they will show considerably more improvement as compared to us.

The weather is becoming somewhat milder, at least there is no apprehension from the cold snap doing any damage at the moment, and as it is getting quite late in the season not much harm is looked for from excessive cold.

Corn, with other cereals, was under the influence of scattered liquidation, the country was a fairly liberal seller, and the March delivery dropped to within 1¢ of the lowest figure of the season.

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Feb. 24, 1932.

vernight weather was entirely satisfactory, temperatures were oderate everywhere over the winter wheat belt, and even more oderate temperatures are in prospect.

he Liverpool market which had been expected lower after our ecline yesterday came somewhat higher and gained momentum ntil their session closed. We have stressed for weeks ast the fact that Liverpool was too low compared to Chicago nd that export business in volume could only be adcomplished hru a readjustment. At the time of their close May wheat broad was at a slight premium over us, and, in our opinion, ill work more. Possibly one of the factors which has caused he recent firmness in Liverpool is the buying of Russian heat by Greece now in store in England. Greece has a referential tariff both for Russian and American wheat; which ccounts for the business which has passed lately when prices ometimes on the surface appeared to be out of line. In amy vent, Winnipeg and Argentina have had sympathetic strength mparted to their markets, and in some instances the undoing f spreads by way of selling Winnipeg and buying Chicago has ven helped to stabilize our market.

here has been talk of some crop deterioration in Poland and ussia. Reports have also come from the western portions of ansas and Nebraska that the condition of wheat is not so avorable, but we feel that it is too early to make any comment bout the growing crop with the winter not yet over.

radstreet's exports were very light this week- only 4,142,000 ushels from all of North America, which is about the same as ast week and also about the same as last year. The United tates Department of Agriculture gives the amount of commercial heat stocks in the United States as 214,806,000 bushels, and he United States wheat in Canada as 27,855,000 bushels, or a otal of 242,661,000 bushels; this is 30,000,000 bushels more han at the same period of 1931. Canadian marketings today ere 446,000 bushels, but since there is only supposed to be 8,000,000 bushels still to market during the remaining 23 weeks, t still looks like their crop had been under-estimated. rimary receipts were only 566,000 bushels versus 1,145,000 ushels a year ago. Stocks at Kansas City, Minneapolis and uluth show a net increase of 434,000 bushels.

e can see no change in the situation; short covering at times ill firm values, but will not help to put wheat into export hannels.

orn was weak early, and the wide carrying charges discourage olders. However, with the strength in wheat shorts covered nd the yellow cereal was led to a considerably higher close.

ther grains all sympathised in the general upturn.

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FORT WORTH GRAIN AND COTTON EX.

Feb. 25, 1932.

Overnight weather was again favorable. Reports are being circulated that in spite of recent favorable weather and moisture that western Kansas and western Nebraska are not as good as last year, and we presume that this will be the topic of discussion, as it seems to be one of the human failings to call more attention to bad news than to good news. We can remember the many bad reports that were circulated a year ago, and still there were very few who prepared us for the bumper wheat crop which was finally harvested in Kansas. There are some who are even trying to predict now how much smaller this year's crop will be than last, at a time when spring wheat has not even been sown and when farmers themselves hardly know whether they expect to increase or decrease their acreages. In any event, one is quite safe in venturing the opinion that last year's crop failure in spring wheat will not be duplicated, and under normal conditions after the present moisture which has been received, it is not out of line to expect that the spring wheat crop might be 125 - 150,000,000 bushels more than last year.

Should Chairman Stone be correct in his statement today estimating that the crop would be 18% less than last year, it would figure about 735,000,000 bushels. This would be a small crop, but plenty with the carryover, particularly as the feeding will be 50,000,000 bushels less than this or last year.

The fact that cables came somewhat lower seemed to have little effect and Liverpool is a discount under Chicago again, which will not be conducive to export business, altho with the very cheap premiums at the Gulf small business is passing, but this cannot continue in commercial quantities, as new wheat will only be attracted to the gulf as premiums rise.

Shipments from the Black Sea are only 344,000 bushels this week- somewhat smaller than last week, and also than last year. Primary receipts were a little bit better at 944,000 bushels, compared with 1,303,000 bushels a year ago. Stocks at Kansas City, Duluth and Minneapolis show a net increase thus far of 462,000 bushels. Canadian marketings continue heavy- 460,000 bushels again today, but in spite of this fact, Winnipeg seems to maintain, in Canadian funds, its present premium over Chicago, and in our opinion, further improvement is due.

Elevators in the Southwest are gradually filling up pretty well, carrying charges should widen, and with a tendency of this kind it is our opinion that bulges will be difficult to maintain.

Corn reacted somewhat from yesterday, after heavy short covering, and new buyers were not eager as the country was a willing seller.

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FORT WORTH GRAIN AND COTTON EX.

Feb. 26, 1932.

verpool was very unresponsive this morning, particularly so
en yesterday's weakness was recalled. The fact that that
rket is 1¢ or more under Chicago certainly precludes export
ssibilities. It is true that there has been a substantial
siness in Manitoba wheats lately, and doubtless much of it
s due to higher freight rates which makes replacements more
stly. However, in 29 weeks, Canada has shipped only
5,000,000 bushels, or less than 4,000,000 bushels per week on
average. Assuming that during the remaining 23 weeks they
uld not ship more heavily, then the carryover would be
6,000,000 bushels based on the official crop estimate, but
feel that with country marketings running in excess of
0,000 bushels daily that the crop was under-estimated. Even
ncouver is making a poor showing with only 39,000,000 bushels
wheat shipped so far, but of course the United States is
rse off than anybody, with practically no new business passing.

ere is a fairly good run of wheat in the Southwest-- Kansas
ty having had big receipts today, and taking this market in
njunction with Duluth and Minneapolis, stocks show a net
crease thus far of 742,000 bushels. Primary receipts today
re 1,342,000 bushels, or a little larger than last year when
ey were 1,280,000 bushels. Clearances were all from New Orleans,
3,000 bushels.

e present firmness in our market is mostly based on hope of
op scares, also that the Government will impound wheat, and
e third group are enthusiastic over the possibility of
gislation that might permit the manufacture of beer. We,
rselves, prefer to follow grain fundamentals . It is im-
ssible to try to guess every minor swing, which is influenced
reports foreign to wheat. When we see how cash grain is
ling weak, that carrying charges are widening and that there
more in all positions than can readily be absorbed by con-
mption, we must necessarily take the attitude that the
esent level finally will not hold. Assuming this view, we
ill believe that not only lower prices will be seen in
icago, but that further readjustment will occur between here
d other markets.

rn is suffering from the weak cash situation and neglect.
ould wheat decline materially corn will also probably be
fected.

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FORT WORTH GRAIN AND COTTON EX

Sat
Feb. 27, 1932.

great many people feel that this is the wrong time of the ear to be wheat short because of impending crop scares. The ansas farmers must be satisfied with the crop outlook the way hey are selling and shipping wheat, and our opinion still is hat no bull market can be brought about with the poor foundaion that exists.

side from the fact that the relationship is entirely wrong omparing our price level with Liverpool, we call attention o the fact that on March 1st farm reserves will probably show bout 170,000,000 bushels; we also estimate that country mill nd elevator stocks will be about 90,000,000 bushels, and the ommercial visible supply, which this year must include the mount of United States wheat in Canada, will be about 40,000,000 bushels, or a total of 500,000,000 bushels. If he big mill stocks, according to our estimate, are correct, hey might be in the neighborhood of 80,000,000 bushels. or purposes of comparison in other years the figures were bout as follows:

| (000's omitted) | 1931 | 1930 | 1929 | 1928 | 1927 | |
|---|---|---|---|---|---|---|
| arm Reserves | 160,000 | 129,000 | 149,000 | 130,000 | 130,000 | bus. |
| ountry Mill & Elevator stocks | 83,000 | 96,000 | 78,000 | 74,000 | 86,000 | " |
| isible supply | 202,000 | 155,000 | 127,000 | 77,000 | 61,000 | " |
| TOTAL | 445,000 | 380,000 | 354,000 | 281,000 | 277,000 | " |

ur advices from the Southwest indicate a good run which will robably keep up, and Kansas City stocks thus far this week have ncreased 1,500,000 bushels; taken in conjunction with Duluth nd Minneapolis the net increase is 1,122,000 bushels, so that he visible supply on Monday will probably either show a small ecrease or possibly a standoff. Primary receipts were ,039,000 bushels compared with 1,575,000 bushels last year. otal clearances were 116,000 bushels.

arrying the large burden of stocks, as at the present time, we ecognize that even crop scares, as they come, will not have the ame effect as they have had in past years when the heavy load as not here. We continue to feel that the price level under uch conditions cannot be maintained and that further readjustments ust come about to put our prices into proper relationship in rder that export business in volume may again be brought about.

orn is in a somewhat healthier position with the load not as reat, but the cash situation is against bullish operations at his time, and should wheat prices sustain losses the yellow ereal will probably be effected adversely, as it was last year ven when the corn crop was one of the poorest on record.

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FORT WORTH GRAIN AND COTTON EX.

Feb. 29, 1932.

ews from abroad was not very encouraging this morning, and as
he session progressed Liverpool market went to lower levels,
nd at the last their May wheat was about 1 1/2¢ under Chicago.
his distinct weakness caused some discouraging feeling,partic-
larly to those who for the last few months had been predicting
arge export business. Clearances, themselves, which are the
rue indication of the business actually passing, show up poorly
gain, and for this week only 4,437,000 bushels, shipped from
ll of North America.

he next disappointing feature was the visible supply which
howed a fairly large increase- stocks being 850,000 bushels
reater than a week ago. This, however, comparing with almost
similar increase last year, did not cause much comment, but
he fact of the matter is that stocks are not going down at a
ime when they are the largest on record for the season of the
ear.

t is also interesting to note that on basis of the official
anadian crop estimate, there is only 16,000,000 bushels left
n farms in Canada to be shipped out during the next 22 weeks,
nd if country marketings would be at the rate of present de-
iveries, in less than eight weeks the country would be shipped
ut.

rimary receipts today were 1,401,000 bushels against 2,334,000
ushels last year, and indications from the Southwest would
oint out that the movement down there will keep up fairly
arge. Clearances from all ports were 430,000 bushels, versus
othing a year ago.

he main feature, and one which we wish to stress, is that some
arge operators seem to be getting scared early this year and
re changing over holdings from May to July, selling out the
earby futures. Possibly the weakness in the March delivery
timulated such action, but if wide carrying charges result,
opes for a big bull market are somewhat lessened.

ne of the other great props often referred to at this season
f the year, is the usual crop scares. We want to point out,
owever, that July wheat gradually declined during 1931 from
4¢ on March 7th to around 57¢ at the end of June; then came
he period not only of spring wheat scares, but possibly the
orst crop of spring wheat on record, and from July 3rd onward,
eptember wheat declinedfrom 57¢ to 46 1/2¢ on August 29th.
he reason of so little response to actual crop damage was be-
ause of the heavy supplies that had been brought about by ac-
umulating agencies. We have the same thing to contend with this
ear, and we can only repeat again that, in our opinion, crop
cares will not have their usual effect because fundamentals are
ot right.

orn eased off on some scattered selling, but the price is low
nd traders are watching the Buenos Aires market, which is show-
ng comparative strength.

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FORT WORTH GRAIN AND COTTON EX.

March 1, 1932.

ather was satisfactory over the Southwest, temperatures being out normal, and a few places reported showers; others com- ained of wind storms which often precede rain, but taken as whole everything is satisfactory for the season of the year.

bles came lower and made a worse showing as their market at the ose declined to about the lowest level of the day, and at a nsiderable discount under Chicago.

e of the main features during thesession was the issuance of rm reserve estimates by various experts, and these averaged ightly less than 180,000,000 bushels, which was fully as much had been expected. In other words, farmers are holding out 20,000,000 bushels more wheat than last year, According the United States figures on commercial stocks, and including eat now held in Canada, there is a total of 245,963,000 bushels, about 30,000,000 bushels larger than last year.; so in these o places together we see 50,000,000 bushels more wheat than 1931. Country mill and elevator stocks are indicated as ightly less, but we believe that the big mill stocks are eatly increased. B. W. Snow also concludes that the carryover ll be somewhere in excess of 400,000,000 bushels at the end June, or considerably more than last year.

at we are feeling mostly now is the lack of new export busi- ss; Broomhall's division of last week's shipments shows that e United States shipped only 858,000 bushels, whileCanada ipped 3,579,000 bushels. The three markets, Minneapolis, nsas City and Duluth, show a net increase so far of 314,000 shels, indicating again that stocks are not being reduced fficiently fast. Canadian marketings are keeping up at a ry large rate- 638,000 bushels, which seems almost unbelievable. imary receipts were small at 714,000 bushels versus 1,302,000 shels a year ago. There were no clearances from either coast, ither today nor on the same date a year ago.

e manner in which deliveries have been made in March and the de difference between that month and May has had a somewhat ntimental effect in widening the carrying charge between May d July, also July and September. This being the case, it rnishes a further barrier to bullish operations, and with the rge amounts which we see everywhere permanent bulges, in our inion, will not yet come about.

rn while not enjoying a broad trade had a somewhat better tone. e large deliveries went mostly to carriers who found it profit- le to take in the nearby delivery at 4¢ under May; consequently, sh pressure was not a factor.

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FORT WORTH GRAIN AND COTTON EX.

Mch 2, 1932.

iverpool wheat cables were practically unchanged before our ession opened, but they gradually advanced after our market showed onsiderable strength. The reason for our firmness was not due o anything that happened in the grain line overnight, but more o a better atmosphere all around, owing to the very favorable ction which was taken by England in regard to the repayment of art of her loan here, which had been made for stabilization pur-oses before the English Pound declined. This great commercial trength which England shows, and she is still the biggest Empire n the world, is bound to have a good sentimental effect. England as balanced her budget now, has corrected some of her bad egislation, and if she gets on her feet again it is bound to re-ect on all European countries, and increase their purchasing ower.

his must have been the sentiment which induced new buying in wheat. t also affected our stock market, and this undoubtedly is a great elpful factor. However, in our opinion, as we have pointed out epeatedly, as far as wheat is concerned, it will be one of the ast commodities to be helped by general business conditions, ntil the many causes which contributed to the low prices are orrected. The hoarding of wheat, and consequently artificially igh prices during the past years, which brought about such an ccumulation of stocks and such large acreages, must be corrected irst before we shall be on a sound foundation.

esterday's private report shows very plainly that next year we hall start in again with an increased amount of stocks; so far here is no indication that the world's crops will be less than ormal. There undoubtedly will be a poorer winter wheat crop, but his can easily be made up by larger yields in the spring wheat erritory and by a much bigger crop in Canada, where they ractically had a failure last season. The Sanford Evans report n moisture since last September gives the amount of 5.55 inches ompared with 5.06 inches normally, 4.59 inches last year, and .75 inches for 1929 to 1930. Consequently the outlook in anada must be very reasonable at the present time.

radstreet's export clearances are still very deplorable- being or this week only 4,056,000 bushels of wheat and flour from all f North America, compared with about the same last week and last ear, but the total now for eight months is 196,000,000 bushels gainst 250,000,000 bushels a year ago, or 54,000,000 bushels ess. It is certainly a very poor showing for eight months.

tocks at Kansas City, Duluth and Minneapolis are still increasing-howing so far 846,000 bushels. Canadian marketings remain heavy, t 375,000 bushels. There were no clearances of wheat at all today.

he Winnipeg wheat market showed great weakness compared with urs right along, and as long as this situation exists we can ardly look forward to any appreciable export business; it must ot be forgottenthat it will be only a very short time before new heat will come on the market. The shadow of the new crop will oon have its effect on prices, unless in the meantime we adjust ur prices to world's markets.

ye showed great strength during the whole session, and it is enerally surmised that Germany will have to import larger or maller quantities before her new crop comes on the market. How-ver, inasmuch as Winnipeg rye is still so much cheaper than ours, e hardly believe that our export business in rye will be con-iderable.

orn profited only slightly from the advance in wheat and rye, but evertheless was higher.

ats profited to a very small extent.

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KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

March 3, 1932.

iverpool market was stronger when our session opened, but lost
ll of its advance and closed about unchanged. The feeling here
mongst the trade is still inclined to the bull side, but re-
eived no encouragement anywhere. Advances usually are created
ither by speculative purchases based on bad crop prospects, or
ctual or prospective demand either domestic or export; both
f these are lacking at the present time. The milling business
s about as poor as it can be; mills produced so far on this crop
bout 5,500,00 barrels less flour than last season, and this
epresents about 25,000,000 bushels of wheat. A small part of
his may be on account of less export flour business. However,
his last week mills produced about the smallest quantities
maginable in the United States- not more than 25% of their
apacity.

ow as far as export business is concerned, the situation is as
opeless as it was all during the season, and we are soon coming
nto the new crop, when the effects of our not shipping more
broad will be more and more accumulative, and the situation
ill become intolerable unless this wheat is shipped abroad
efore the new wheat comes on the market.

s far as crop prospects are concerned, we assume that having had
winter similar to last year, the amount of winter killing will
e extremely small, and with snows more or less predicted over
large territory, fears of immediate drought, except in some
arts of Kansas, are being minimized. Owing to the very large
tocks we are bound to go on a carrying charge basis, and this
s also detrimental to the bull. We feel that something very
adical would have to happen in order to change the situation and
oost prices.

urope seems to be kept pretty well supplied without buying
uch from North America; Argentine shipments are estimated at
ver 6,000,000 bushels, with 300,000 bushels from the Black Sea;
o if Australia furnishes its quota, North America will only have
o ship 4 or 5,600,000 bushels to fill their requirements.

anadian marketings are still heavy- 363,000 bushels, Clearances
re light, only 162,000 bushels. Stocks at Kansas City, Duluth
nd Minneapolis show an increase so far this week of 1,021,000
ushels, indicating another increase in the visible supply on
onday. Primary receipts of wheat are much lighter- 627,000
ushels compared with 1,435,000 bushels last year.

orn, oats and rye were all more or less neglected and showed no
aterial change.

UHLMANN GRAIN CO.

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DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

Mch 4 1932

iverpool wheat cables were weak this morning before our session pened, and declined still further- their close being about at he bottom. The reason for the weakness abroad probably was he very heavy shipments from the southern hemisphere; Argentina, ustralia and the Black Sea together cleared about 11,500,000 ushels, or about 3,000,000 bushels more than last year. These eavy shipments from the southern hemisphere, of course, cannot ast very long to this extent. According to Sanford Evans, ustralia will have a surplus left of 77,000,000 bushels, and rgentina, figuring the carryover of about 15,000,000 bushels ill have about 108,000,000 bushels, or together about 185,000,000 ushels, which would probably give an average weekly shipment rom that quarter of 4 to 4,500,000 bushels for the balance of he year 1932, or only a little over one-third of what they were his week. It is very plain, therefore, that the quantity of heat which will be required after July 1st from North America ill very largely depend upon the amount of shipments from ussia and the Balkan countries. In the meantime, however, the emand for North American wheat is extremely limited.

he chief topic of discussion today in the wheat pit was the ill according to which 40,000,000 bushels of wheat will be urned over under certain conditions by the Farm Board to the ed Cross to be used for relief of the unemployed and sufferers rom the drought. According to Mr. Stone, Chairman of the Farm oard, the effect will be, (and we thoroughly agree) that the perations of the Farm Board will have to be considerably curailed, as they will be compelled to pay their loans out of the evolving fund and will have just that much less money at their isposal for further operations.

further effect, as we see it, will be that at the end of the ear the Farm Board will have only about 105,000,000 bushels f wheat unsold instead of 145,000,000 bushels as we had figured ight along, after selling 5,000,000 bushels a month. This, of ourse, will reduce their storage bill considerably.

urthermore, it will curtail home consumption of the free wheat to he extent that the Farm Board wheat is used for relief purposes, nd to that extent its influence will be bearish for the present ut finally very helpful, as the more the wheat goes into the ands of the trade the better it will be in the long run for prices.

he weather in the Southwest was very favorable, inasmuch as there as lots of moisture all over Kansas and Nebraska, where it was adly needed- mostly in the shape of snow. However, the bearish ffect of it was somewhat modified by colder weather, and still older weather predicted for tomorrow and Sunday, but as far as e can see the weather will not be cold enough to do any damage; f not, we construe the present outlook of winter wheat as fully ormal or better. We should say, offhand speaking, that over wo-thirds of the winter area promises so far an excellent crop, hile considerably less than one-third is still in the doubtful olumn.

n the meantime cash demand everywhere is extremely poor; conequently, the trade is running away from the nearby future, and here is a steady widening going on between the various futures; ay and July selling today at 1 7/8¢ difference- the widest on his crop.

3-4-32

anadian marketings were a little less than lately, 253,000 ushels. Clearances of United States wheat were only 16,000 ushels, all from New York. Kansas City stocks show a large ncrease this week so far- 1,295,000 bushels, Duluth shows a mall increase of 8,000 bushels, and Minneapolis decreased 5,000 bushels. These figures lead us to believe that we shall ave another increase in the visible supply on Monday. Primary eceipts of wheat are 878,000 bushels compared with 1,356,000 ushels last year.

ye was exceedingly strong, the trade expecting a lighter movement from Russia and hoping that this demand will come to the nited States. However, inasmuch as Canadian rye is still much heaper than ours, exchange considered, Canada will have the first pportunity of selling this cereal before ours comes into play.

orn and oats showed hardly any change from last night's closing.

UHLMANN GRAIN CO.

# DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
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NEW YORK RUBBER EXCHANGE

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CHICAGO

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX

Sat. March 5, 1932.

Liverpool wheat cables were again weak today, closing 1/4¢ lower than yesterday, and the difference between their May future and ours is now about 2 1/2¢ a bushel, which they are below us.

The weather overnight was also favorable inasmuch as temperatures had not descended to dangerously low points. Furthermore, there was more or less precipitation over the Southwest. Nevertheless, there were buying orders in the market right from the start; and with the trade being very small they were difficult to execute. During the whole session the feeling was firm- the close showing about 1/2¢ per bushel advance. May wheat closed at 61 1/2¢.

To show how little wheat has fluctuated lately, wish to call attention to the fact that on Feb. 13th, May wheat closed at 61¢, on February 20th it closed at 61 1/2¢, and on February 27th it closed at 61 3/4¢. In the meantime the visible supply statement has not changed much, nor the open interest, and the natural conclusion, therefore, is that the bulls are willing for the present to continue to carry the hedges, there being not much of a short interest. It is not likely that there will be much additional pressure for the next two or three months, and therefore, the same situation might continue for some time. It will be difficult to bring about advances, because there are no great incentives to purchase wheat and there will be no new additional pressure. However, whenever the new crop commences to move, with the additional hedges, the situation will be entirely different; consequently, we continue to feel very bearish on the ultimate outcome, being prepared, however, that it will require a great deal of patience until conditions again become normal, and until we reach the exporting point.

As far as Europe is concerned, they will be receiving heavy shipments fromArgentina and Australia, and their requirements from North America will be moderate. Russia, which last season shipped from this period on until the first of July about 12,000,000 bushels, may ship comparatively little this year. However, Canada, which is still underselling us, can supply this extra quantity easily.

The long-time weather predictions we consider extremely favorable; namely, cold weather this territory for the beginning of the week with rising temperatures later on, and more precipitation for middle and latter part of the week; Plain region, also rising temperatures for the beginning of the week, with generally seasonable temperatures thereafter; precipitation periods beginning of week, about middle, and the close of next week. This certainly indicates more moisture, and by the end of next week we might consider that the winter is practically over as far as extreme temperatures are concerned. So we think the outlook is that very little winter killing has taken place, and that the moisture question, with the exception of perhaps 10 or 20% of the area, is quite satisfactory. We do not see how there could be any serious crop scares now for some time to come.

Primary receipts today were 693,000 bushels versus 1,060,000 bushels last year. Stocks of wheat at Minneapolis, Duluth and Kansas City show a net increase of nearly 1,400,000 bushels. There have been 140,000 bushels of wheat cleared against none last year. Canadian marketings today 373,000 bushels.

We look for very little change in the visible supply- possibly a small increase.

Rye continued its strength, and it is generally assumed that Germany will have to enter the field here very soon.

Corn and oats also showed some firmness.

UHLMANN GRAIN CO.

# DAILY MARKET LETTER

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MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
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DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

Mch 7, 1932.

Liverpool wheat cables were about as expected this morning. Little attention was paid to any news except the weather, and same was more or less of a standoff. The cold weather would have caused extreme alarm, had it not been accompanied or preceded by snow in a good part of the Southwest; therefore, the situation was not supposed to be alarming in any way. It is true, it caused a little buying at the opening, but the short interest being so small there was no real scare; underlying it all was the belief that the winter wheat plant is very hearty, and with warmer weather, which probably will set in, the bearish statistical situation will more likely come to the front again.

World shipments were 16,386,000 bushels compared with about 14,000,000 bushels last year, so foreign countries are being pretty well supplied; this in spite of the fact that all of North America shipped only about 4,500,000 bushels versus 5,000,000 bushels in 1931. The visible supply showed a tremendous increase for the time of the year- about 4,000,000 bushels, which brings it up now to about 207,500,000 bushels, and which compares with about 206,595,000 bushels on January 23. In other words, all the decreases which have taken place the last six weeks have more than been made up again, and at the present time is 9,500,000 bushels larger than last year. It just shows what is happening to this country when there is no export business to speak of. And again, another day has passed with no clearances whatsoever in either wheat or flour. Primary receipts make a poor showing compared with 1931- being only 910,000 bushels against 2,455,000 bushels a year ago, but both domestic and export demand are so poor that no attention is being paid to same.

Argentine government officially raised its estimate of the crop to 226,000,000 bushels, or 8,000,000 bushels more than the last figures, but still 12,000,000 bushels less than last season. Canadian marketings keep up pretty well considering the small amount of wheat which is supposed to be left in farmers' hands- at 290,000 bushels.

There was some export business done in rye from Winnipeg, which gave it sentimental strength here, and the market showed advances in the early dealings. These, however, were not maintained.

Corn and oats in spite of the more favorable weather as far as feeding consumption is concerned showed no strength whatever.

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# DAILY MARKET LETTER

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KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

Mch 8, 1932.

A great event took place overnight; the sterling exchange advanced 18 points, which shows a rapid restoration of confidence in English financial and commercial affairs, and which, of course, in turn is bound to be reflected in about twenty other smaller countries whose finances are more or less tied to England.

As far as wheat is concerned, this improvement makes a difference of easily 2¢ a bushel, or more; consequently, English markets declined that much in their money to offset the sterling advance. Actual quotations figured on the latest available exchange makes their May wheat still about 1¢ under ours. Therefore, is no actual help as far as the export business is concerned. Nevertheless, our market profited by it on account of the sentiment which the sounder situation abroad created. Otherwise, undoubtedly, we would have again had lower markets, as the supply burden remains extremely heavy.

The weather remains very cold, but at the same time good snows have fallen in the very driest territories, and we do not see how there can be much of a crop scare for the next few weeks; this, on the assumption that there has been very little winter killing this year, and there ought to be a reasonable amount of moisture now all over the country.

Our freight broker from New York gives a very deplorable picture, and we quote from his market letter on freight as follows:

> "Again just one fixture for the week. A Gulf to Greece boat. It's just too bad, but not the slightest interest is shown in cargoes. In fact the offers to berth boats for a fair parcel to start are passed up without notice.
>
> Liners are scheduled to sail from Montreal as early as April 15th. As far as appearances go, no one seem to care when the season opens. The Erie Canal will also open very early. These things that always counted for so much and which were looked forward to and awaited with eagerness, now don't seem to mean anything."

Canadian marketings 373,000 bushels. Of last week's exports, according to Broomhall, the United States shipped 1,472,000 bushels and Canada 2,983,000 bushels- total of 4,455,000 bushels. United States shipments at the rate of only 75,000,000 bushels a year are very small. Kansas City, Duluth and Minneapolis stocks decreased 145,000 bushels. There were no clearances whatsoever. today. Primary receipts were light- 642,000 bushels compared with 1,037,000 bushels a year ago.

Rye was again very firm, and we are convinced that more or less business is done in this cereal now, however, the larger share from Canada, altho some may have been worked from Bay Ports.

Corn acted weak most of the session, and trade in oats remained neglected.

UHLMANN GRAIN CO.

# DAILY MARKET LETTER

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FORT WORTH GRAIN AND COTTON EX.

Mch 9, 1932.

Liverpool wheat cables were a little hard to figure today on account of the very fluctuating sterling exchange. The difference in the exchange alone between the high and low point at one time amounted to from 1/2 to 3/4¢ a bushel. However, their mainfutures are still under ours; therefore, the possibility of any export business, except for special grades, may be ignored for the time being, and the outlook three months hence when the new wheat will commence to be offered more freely will be very deplorable, unless the situation changes in the meantime.

The chief matter of interest still continues to be the weather. There is no question that temperatures are abnormally low and promise to remain so at least for another day, but after Thursday warmer weather is predicted for the Dakotas, as well as Nebraska and Kansas, which, undoubtedly, will be followed by higher temperatures here. This, for the present, means only not as cold as it has been, but by no means seasonable temperatures. Strange as it may seem, for the present crop damage reports, on account of this freezing weather, are very few. Some, however, make the reservation that it is difficult to tell at the present time, and only warmer weather and growing conditions will determine whether any, and how much, damage was done. Our past experience has been that it is preferable to have a run of cold weather than lots of freezing and thawing, as the latter, undoubtedly, is very harmful.

In the meantime part of the stabilization wheat is being turned over to the Red Cross, and from what we can gather, part of it will go for human consumption and part for animal food; and to the extent that the wheat is being fed to animals it reduces our burdensome supply.

Our market continues to feel very much the absolute lack of a short interest, as the scared shorts are usually the best buyers and make the highest quotations.

Wheat clearances today were 296,000 bushels, of which 200,000 bushels were from Galveston and 96,000 bushels from New York. Stocks at Kansas City, Duluth and Minneapolis decreased 106,000 bushels. Canadian marketings 326,000 bushels. Primary receipts of wheat were only 513,000 bushels versus 1,157,000 bushels last year.

Corn was very strong for a while, a report being circulated that about 120,000 bushels had been worked for export. There is no question but that we shall do the larger export business this year, if not with Europe, at least with the countries adjacent to us, like Canada, Cuba, etc.

Rye was also firm at the opening, but lost most of its advance.

Oats continued to remain indifferent.

UHLMANN GRAIN CO.

# DAILY MARKET LETTER

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MEMBERS:
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FORT WORTH GRAIN AND COTTON EX.

Mch 10, 1932.

Cables were quite strong today, and the reason given by private reports was that Germany may raise the quota on imports from 20 to 40%. This, so far, is only a rumor, but probably there is a very good foundation for it, and we have no doubt that Germany will be compelled to make heavier importations before long. Argentine shipments are estimated to be very heavy, at 6,000,000 bushels compared with only 3,171,000 bushels last year. Those from the Black Sea are very light- 416,000 bushels against 1,936,000 bushels the previous season.

The official Government report on farm reserves which came out yesterday after the close, showing 207,000,000 bushels of wheat left on farms on March 1st, was extremely bearish; the trade was unable to decide whether to pay more attention to cables or to the farm reserves, and consequently did nothing. The trade was very light and the extreme fluctuations between top and bottom prices being only 1/2¢ per bushel. To us the cables are meaningless as long as Liverpool is still under us, or about the same price, while the farm reserves are very important, as many conclusions must be drawn from same. First, it is absolutely sure that the amount of animal feeding was nothing like it was estimated by our crop experts; in fact, if we take theoofficial figures for the size of the crop, and figure up wheatin the various positions at the present time we must conclude that the feeding was, at least, 20,000,000 bushels less than last year, and only possibly 40,000,000 bushels more than normal. We furthermore come to the conclusion that these farm reserves at 207,000,000 bushels, compared with about 125,000,000 bushels on the ten year average, are bound to be exceedingly burdensome. We figure by adding to the reserves the commercial visible supply in the United States and Canada of 244,000,000 bushels, the 80,000,000 bushels estimated to be in country mills and elevators, and 80,000,000 bushels in big mills, it will give us 611,000,000 bushels. Assuming we shall export from now on 25,000,000 bushels, and figuring the average domestic consumption from now on as 156,000,000 bushels, there would be a carryover on July 1st of 430,000,000 bushels. This was our estimate right along- as far back as three or six months ago, and we had arrived at this conclusion because we never believed in these extremely large estimates on animal feeding. We considered it ridiculous to assume that in years where corn is cheaper than wheat an extraordinarily large amount of wheat should be fed.

The state of Kansas alone, according to government figures, carried on farms on March 1st 55,000,000 bushels of wheat, which compares with 25,000,000 bushels a year ago, or 30,000,000 bushels more. If we take the stocks of wheat in Kansas City and in various mills all over the state of Kansas, there would be almost a small crop left in that state alone.

Stocks at Kansas City, Duluth and Minneapolis show a net increase for the week of 139,000 bushels. Primary receipts were extremely light- only 421,000 bushels compared with 1,181,000 bushels last year. This may be partly due to the extremely cold weather. There were no clearances whatsoever of wheat today. Canadian marketings still heavy- 358,000 bushels.

Rye was very strong, mostly in sympathy with Winnipeg, and it is believed that there will be a better foreign demand for same.

The corn reserves, as given by the government, were also larger than expected- about 30,000,000 bushels more, but had no effect upon the market. This cereal, as well as oats, showed no trend whatsoever, and flucutations were at a minimum.

UHLMANN GRAIN CO.

# DAILY MARKET LETTER

MEMBERS:
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MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

Mch 11, 1932.

Liverpool wheat cables were extremely weak today; this in spite of the fact that sterling exchange had also declined, **which** should have been a stimulant to English markets in their currency. We cannot repeat too often that any improvement in our wheat prices must come from abroad, because the situation here becomes more and more hopeless, and only the worst kind of crop failures could change this situation. We are more confirmed than ever in this view after analyzing the large farm reserves in the winter wheat states. For instance, Ohio has 17,000,000 bushels of wheat left compared with 6,600,000 bushels last year; Indiana and Illinois together have 25,000,000 bushels compared with a little over 10,300,000 bushels last year, and Oklahoma and Texas together have over 21,000,000 bushels compared with about 6,000,000 bushels in 1931. This clearly shows that any time we should have any sharp advances enough wheat can come forward to supply any additional domestic or speculative demand. Inaddition to this, we note that the large mills which reduced their stocks gradually at this time last season, because May wheat was selling from 15 to 20¢ a bushel higher than July, have filled their elevators to the roof, and are over stocked if anything. Then again, on account of the poor demand for flour for export the mills are not doing their usual amount of business; so relief can only come from abroad.

It seems we are now paying the penalty for the Farm Marketing Act, which induced these heavy accumulations. Were it not for that, wheat would be in a reasonably sound position by now. We doubt whether the world's carryover will exceed last year's much, perhaps only about 50,000,000 bushels. In other words, the world's consumption and production are about on a normal basis; and the large overproduction has stopped since Argentina, Australia and the United States have reduced their acreages. However, the big accumulations are still with us, and they are responsible for depressing prices.

Bradstreet's clearances for the week were light again, altho somewhat heavier than last week when they were 4,000,000 bushels, and now they are 4,739,000 bushels compared with 5,039,000 bushels last year. The total since July 1st is given now as 2[illegible]1,000,000 bushels against 255,000,000 bushels a year ago. Canadian marketings continue to be heavy- 316,000 bushels. Stocks atKansas City, Duluth and Minneapolis show a net increase of 166,000 bushels, which leads us to believe that the decrease in the visible will be only small. Today's clearances were 151,000 bushels- all from New York. Primary receipts of wheat were 513,000 bushels compared with 925,000 bushels the previous year.

Fluctuations were extremely small, but whatever they were they were in a downward direction.

Corn, oats and rye all sympathised with the decline in wheat and closed a trifle lower.

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DAILY MARKET LETTER

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KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

Sat Mch 12, 1932.

Liverpool wheat cables were a trifle lower today, and there was no encouragement in reports about business fromEurope. Our market practically opened unchanged, and the whole fluctuation between bottom and top prices was only about 3/8¢, even this fluctuation was entirely accidental. There was no specific news to encourage either buying or selling, but there being no particular liquidation a few buying orders brought about reasonable strength.

Weather continues abnormally cold, and the same kind of weather is more or less predicted for next week, altho temperatures probably will not be quite as low as they were. However, little precipitation is anticipated, except possibly toward the end of the week.

Clearances were 183,000 bushels, and primary receipts continue to be light- 473,000 bushels compared with 443,000 bushels last year. Canadian marketings are extremely heavy at 441,000 bushels. Farmers' holdings are supposed to be down to a minimum. Kansas City, Duluth and Minneapolis stocks together show a net increase of 196,000 bushels; therefore, we do not expect any material change in the very large visible supply of about 207,000,000 bushels.

Trade was extremely light in all cereals; corn and oats showed hardly any change, while rye was somewhat lower.

Elections will take place in Germany tomorrow, and should Hindenburg be re-elected it will be construed as constructive, while if Hitler is elected it may again disturb financial centers.

UHLMANN GRAIN CO.

# DAILY MARKET LETTER

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MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

Mch 14 1932

Liverpool wheat cables were a trifle higher today, partly accounted for by weaker sterling exchange, and cut no figure. Last Saturday the total trade in wheat was only a little over 4,000,000 bushels compared with over 11,000,000 bushels last year. It shows what the politicians have done to the largest grain market in the world.

Another week has gone by without any improvement in the wheat demand situation. The visible supply is still much the same as it was a week ago, and the total of about 207,000,000 bushels is extremely burdensome. We are practically three months away from the period when the results of the new wheat crop will make themselves felt. Coming events cast their shadows before; and whether the crop is large or small, there will be the usual first movement, and it is impossible to think that the surplus above home consumption which undoubtedly will be raised again will be permitted to accumulate. Therefore, we feel we are bound to go to an export basis. To this extent conditions must change in three months if they do not do so before.

Of course it is impossible to make even an approximate guess as to what the 1931-32 crop will be, but we do know the lowest and the highest yields per acre during 30 or 40 years. We know the normal yields, and therefore we have some foundation upon which to make reasonable guesses within limits. From present outlook, conditions are pretty near normal in the winter wheat belt, and figuring on the normal in the spring wheat territory it is not unreasonable to expect a combined crop of about 750,000,000 to 800,000,000 bushels, which would be considerably smaller than last year's yields, but in line with other years.

In former years, with the size of this crop and normal carryover from previous years, wheat brought fairly remunerative prices; and 80¢ or above would have been very reasonable. However, we have to review the changes which have taken place since the Farm Marketing Act was passed as affecting prices. In 1929, although the price of wheat was $1.18, no effort was made to export it. We permitted other exporting countries who competed with us to have the market all to themselves, consequently they realized these good prices and increased their acreages; and we carried over a tremendous quantity of wheat.

In 1930, instead of letting wheat find its own level so it could be fed, when we had one of the shortest corn crops ever raised, Governmental Agencies again interfered with natural processes, curtailed our consumption, and again increased our supplies. In 1931 they had not yet learned anything from past experience, again refused to export our wheat, so that on July 1st we shall probably have a carryover of between 430,000,000 to 435,000,000 bushels of wheat, which will be about 300,000,000 bushels more than the average carryover for 8 or 10 months before the Farm Marketing Act became a law. This in our opinion will easily cost the farmer 20 cents a bushel for the whole 1932 crop of wheat, and this more than anything else will prevent higher or even moderate prices.

It is not likely that the Farm Board will again attempt to hurt the farmer for the coming year by adding to its large holdings. Consequently, we expect that wheat will sell at a price where it will go into competition with the world's markets and will be gradually disposed of.

The amount of wheat on passage is 60,000,000 bushels, which supplies the importing nations for four weeks, and with other supplies they have on hand they need not worry very much about how to get along until the new crop moves.

Primary receipts of wheat today were 671,000 bushels compared with 1,850,000 bushels last year. The visible supply decreased 263,000 bushels, total now being 207,215,000 bushels against 199,714,000 bushels a year ago, or a 7,501,000 bushels increase. The visible supply is now about the same as the farmers' reserves; both extraordinarily big. Canadian farmers' marketings are 432,000 bushels, although there are supposed to be only 12,000,000 bushels left in farmers' hands; consequently, the Government must have underestimated the crop very heavily. Clearances of wheat were only 1,000 bushels; there was no other grain cleared- no corn, oats, rye nor flour, nor any bonded wheat.

Stop-loss orders developed about mid-session without any particular news, except the fact that markets had been overbought for weeks; some operators not recognizing that we would have to pay a penalty some day for the heavy accumulations.

Other grains were shaken down by the wave of liquidation that took place.

UHLMANN GRAIN CO.

# DAILY MARKET LETTER

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WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

Mch 16,1932.

Liverpool wheat cables were construed as bullish today, being higher while we were lower yesterday. However, their futures were only about 1 1/2¢ over ours, and of course, this is not very encouraging, and much further readjustment will have to take place before this country is again on an export basis.

There was also no precipit tion and ordinarily the trade would be somewhat nervous, as rains are very desirable in certain parts of Kansas and Nebraska. However, experience has shown the speculator that everything is different than what it was before the Farm Marketing Act was passed, and with 300,000,000 bushels more wheat hanging over the market on the first of July than the average carryover for the ten years previous to 1929, there is no use in making much of a fuss whether25% of the winter wheat acreage raises a little more or less.

It was reported this morning that Mr. George S. Milnor will sail tonight on the Steamer "Europa" for Europe. As a rule such personal remarks have no place in our market letter, but inasmuch as Mr. Milnor is heading both the Stabilization Corporation and the Farmers' National Grain Corporation, this trip may be of very wide importance in its effect.

We do not know what the object is, but would guess that Mr.Milnor is trying to sell a very large quantity of the stabilization wheat to Europe. We approve of this, because if we were in his place, we certainly would do the same thing. It is a very good move, only it has beendelayed too long-- for two years. Since practically every exporter was driven out of business, it was only proper that the Farm Board should try and take their place and dispose of their large holdings abroad. The very fact that North America has about 175,000,000 bushels of wheat to export yet on this year's raisings, shows how European sales must be forced to avoid suffering on the part of the farmer when the next crop comes on the market.

We are afraid when it becomes known in Europe that this is Mr. Milnor's object, the very fear of large dumpings from here might depress their market.

To give an idea of what will confront him abroad, we wish to mention that 64 pound Argentine wheat sold yesterday at Liverpool at about 56 1/2¢, but nevertheless, smaller quantities of American one hard wheat realized about 64¢ or about 58¢ FOB or our May price at New York or Galveston. However, large quantities could only be disposed of at sacrifice price.

Kansas City, Duluth and Minneapolis stocks so far show an increase of 31,000 bushels. There were no clearances whatosover today of wheat, flour, corn, oats nor rye. Primary receipts are 376,000 bushels, compared with 902,000 bushels last year. Bradstreet's clearances were extraordinarily light- 3,751,000 bushels (about 1,000,000 bushels less than last week), against 4,369,000 bushels a year ago. The total so far from North America of wheat and flour, according to Bradstreet, is 204,000,000 bushels.

We figure North America raised approximately 380,000,000 bushels more than will be consumed at home; therefore, the showing so far for 8 1/2 months is very, very poor. Canadian marketings are 596,000 bushels- extraordinarily large for the size of their crop and for the time of the year.

Corn, oats and rye varied but very little.

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DAILY MARKET LETTER

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FORT WORTH GRAIN AND COTTON EX.

Mch 15,1932.

Liverpool wheat cables were about 1¢ per bushel lower, with a slightly improved sterling exchange, and the trade construed same as somewhat bullish because the decline abroad had not been as much as ours. We, ourselves, think this is poor reasoning, as Liverpool prices are already so low that there is no reason for them to follow our breaks while the readjustment is going on. Even with our further decline today Liverpool is only about 1 1/4¢ higher than we are, whereas it should be from 10 to 15¢ a bushel over us.

After a fairly steady market further declines took place, and the explanation is not far to seek. We are simply paying the penalty for our follies of 1929, 1930 and 1931. Inasmuch as during all these years we preferred to hold our wheat instead of selling it abroad, like all other exporting countries did, we have reached a point where we can no longer go along on the same false theories and must meet world's markets. It always has been an axiom for any commodity that when prices are kept up artificially high they drop correspondingly low in the final readjustment. When we think back now to 1929 when we were told that $1.18 was a ruinous price to the farmer and that he required Government help to sustain that level, it shows clearly how every economist had been right and our law-makers had been wrong. The matter has gone so far now that we believe even should the Agricultural Marketing Act be repealed it would probably still take a year before conditions could become normal.

The export trade in wheat and flour, on which everything depends, has been absolutely disrupted. Those firms which had connections and worked business for twenty or thirty years had to give up their connections, and the Farm Board has not established the equivalent in their place. Therefore, it will take a long time before our prestige in the export field will be regained.

Temperatures are higher and weather in general more favorable, except there has not been much precipitation. However, our own weather expert believes there will be a good deal of rain all over the country within the next twenty-four hours.

Stocks of wheat inKansas City, Duluth and Minneapolis show a decrease of 122,000 bushels. Clearances from Baltimore and New York amounted to 192,000 bushels. Primary receipts are very light- 402,000 bushels compared with 1,015,000 bushels last year.

According to Broomhall's division of North American wheat and flour shipments last week, Canada shipped 3,284,000 bushels and the United States 1,342,000 bushels or a total of 4,626,000 bushels. The United States shipments are extraordinarily light- being at the rate of less than 75,000,000 bushels a year, and at that rate it would take us over five years to get rid of our exportable surplus. Therefore, it is absolutely imperative that the export business be forced more.

Corn, oats and rye all sympathised somewhat with the weakness in wheat.

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# DAILY MARKET LETTER

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Mch 17, 1932.

Liverpool wheat cables were extremely weak today from start to finish, their futures finally closing at about 1¢ a bushel lower, and a fraction above ours. The explanation given by Broomhall was the large Argentine shipments- amounting to 7.348,000 bushels, or about 4,000,000 bushels more than last year, and in view of this, the small Russian shipments were ignored, same being 264,000 bushels compared with over 2,500,000 bushels in 1931.

Weather was a trifle more favorable. There were some rains, perhaps 1/4 of an inch in Colorado and adjacent territory, also at a few scattered points in the western territory where it was badly needed. Generally speaking, however, the weather map was dry with almost normal temperatures.

Weakness in the stock market in the early part of the session also was an influence, and at one time new low prices were reached on this movement from which, however, a recovery took place when shorts covered and stocks in Wall Street advanced.

Washington confirms the views we expressed yesterday that Mr. Milnor's European trip is for the purpose of trying to dispose of some of the large holdings which have been accumulated by the Stabilization Corporation during the past two and a half years. They also concur in our view that the step is advisable, as a supreme effort should be made to liquidate the surplus wheat stocks which have led to wide criticism both in and out of congress.

The next step to consider is whether or not Mr. Milnor's mission will be successful. To our great regret, we have come to the conclusion that in all probability it will be a dismal failure. Not that we have lost our faith in Mr. Milnor's ability; for, having known him and done business with him for more than twenty years, we feel certain that if any individual could attain the desired object he could. However, the conditions are against him; and no matter how great his ability, no single individual could accomplish as good results as would be possible if the wheat had been given to the trade for merchandising and exporting. In that case, twenty-five to fifty exporters would all be working in all parts of the world, exerting the full power of their long experience.

As a general rule, the United States does the greatest volume of her export business from July to December. This opportunity was missed. From January to July the largest exporting is usually done by the southern hemisphere; and so far this season has been no exception, and this competitor will continue to make itself felt for the remining three and a half months of this crop year.

The estimated import requirements of the whole world are 15,000,000 bushels of wheat a week, or in the fifteen weeks now remaining, 225,000,000 bushels. Canada, in order to reduce her carryover to reasonable proportions will have to export about 4 to 4,500,000 bushels a week, or, say, 65,000,000 bushels. Argentina and Australia, which are now shipping 10,000,000 bushels or more a week, will probably still supply 7,500,000 bushels a weekfor 15 weeks, or 112,000,000 bushels. The amount on passage

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3-17-32

which is now 60,000,000 bushels, might easily be reduced, in view of the new crop coming on the market, to 40,000,000 bushels, which would add another 20,000,000 bushels; so there would be only about 28,000,000 bushels of wheat left for the United States to supply. Inasmuch as possibly 8,000,000 bushels or more will be shipped on old sales, there would be room for only about 20,000,000 bushels of new business.

Of course wheat can always be sold at a price; but what would that price be? We believe a moderate quantity of wheat could be sold at about 5¢ under our May, FOB eastern ports, particularly if sold on credit. This would be, say, 53 cents. Deducting from the 15 cents expenses, including outloading charges here and at New York, would leave about 38 cents at Chicago, and deducting from that at least on an average one year's carrying charges, storage and interest, of 18 cents a bushel, would leave about 20 cents a bushel.

Canadian marketings were 592,000 bushels, which is enormous considering the small amount which is supposed to be in farmers' hands, and indicates very strongly that the crop had been largely underestimated.

Corn, oats and rye were also lower in sympathy with wheat.

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# DAILY MARKET LETTER

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FORT WORTH GRAIN AND COTTON EX.

Mch 18 1932

Liverpool wheat cables were very strong before our session opened, but they did not hold the full advance at their close. There was no particular reason given by Broomhall, and the strength probably was due to reaction from yesterday when prices declined unreasonably. Nevertheless, our market was practically unchanged early, showed more or less weakness, which we think was due to scattered rains in the dry territory of the Southwest. While the precipitation was not on an extensive scale, it is bound to do some good.

Afterwards our wheat market was an entirely political one, fluctuations depending on news from Washington. First there was a statement supposed to have emanated from Secy. Hyde, declaring it to be the established policy from now on to export wheat anywhere in the world where it can be done. This was construed as bearish. Then came another statement to the effect that President Hoover is in favor of having the Reconstruction Finance Corporation finance the credits for the Farm Board on export sales. This was at first construed as bullish, but on further thought the trade came to the conclusion that the forcing of wheat abroad, with only three months' time left on the old crop, would demoralize all world's markets.

When it is considered that the Farm Board has sold to foreign governments so far this year 47,500,000 bushels of wheat, given away 40,000,000 bushels to the Red Cross, and that world's shipments have increased only 8,000,000 bushels compared with 1931, and with 4,000,000 bushels in addition on passage, it will be seen that consumption has not changed through these government sales. In the long run it will make no difference who sells the wheat nor where it is sold: the world consumes only a certain amount and no artificial measures can change it. The mistake of withholding our supplies for two years will have to be paid for, and there has been no benefit to any one in this transaction, unless it may be a lesson for the future to our senators that supply and demand will regulate the situation and it cannot be done from Washington.

We remember last year at this time the Government concluded to sell 35,000,000 bushels of its holdings abroad regardless of values. What was the result? They never succeeded, and sold so little that finally they made a trade with a syndicate of grain merchants to dispose of about 13,000,000 bushels. We believe this year will be a repetition. We do not think that the FarmBoard will be able todispose of large quantities of wheat unless it should be sacrificed at most ridiculous prices, and finally they will again turn to the grain trade, who, by long experience, is better able to accomplish results.

Stocks of wheat decreased 104,000 bushels at Kansas City, Duluth and Minneapolis. Canadian marketings 497,000 bushels. We believe that if government figures had been correct, there should be only about 9,000,000 bushels of wheat in farmers' hand now, and they generally have at least 5,000,000 bushels at the end of the season; so it shows that the Canadian crop was very much larger. There were no clearances of wheat at all today. Primary receipts are light-541,000 bushels compared with 1,207,000 bushels last year. Shipments were 317,000 bushels compared with 788,000 bushels a year ago.

Corn, oats and rye naturally suffered in sympathy with their sister cereal, and closed considerably lower.

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# DAILY MARKET LETTER

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FORT WORTH GRAIN AND COTTON EX.

Mch 19, 1932.

Liverpool wheat cables were demoralized, declining almost 3¢ a bushel. Sterling exchange improved a little and possibly 1/4 to 1/2¢ of the decline may have been due to the improvement in the exchange, but nevertheless, Liverpool market was extremely weak. The cause of same all came from this side, and was not due to any inherent weakness in their situation. The whole world seems to be worried about the large holdings of the Farm Board and what will become of them. As we have pointed out repeatedly, accumulations which have extended for over two years cannot be sold in three months; our new crop will start to come on the market about that time, and Europe's new wheat will also come on the market in about four months; therefore, they will only buy for their requirements, unless crop prospects should deteriorate very much.

The weather prediction for next week is very favorable, mostly normal temperatures after Monday, with a reasonable amount of precipitation.

We do not believe that the Farm Board will succeed in selling much of its wheat, as they have lots of competition from Canada and the southern hemisphere, and the bulk will be carried over into the new crop; by that time it may be turned over to the trade where it can be merchandised to much better advantage.

The Farm Board seems to miss very much in its finances the 40,000,000 bushels of wheat which will have to be given away from the revolving fund to the Red Cross, but they evidently overlooked the fact that the Government never received any interest so far. If they had obtained on an average $250,000,000. for two and a half years, the interest alone at 4 per cent would figure about $10,000,000. a year, or $25,000,000. up to the present time. This is more money than the Red Cross wheat is worth. Now if this $500,000,000. corporation, including the interest which they have never paid, but which they collected from the cooperatives, are missing such a small amount very much so that they are handicapped if they have to finance a moderate quantity of wheat on credit to the foreign governments, it is a very sad picture. There is only one conclusion: namely, that the whole arrangement was a failure and we doubt whether any more of the public's money will be appropriated since it has been clearly shown that all these losses which have been incurred so far have not only hurt the farmer, but also the grain man, telephone companies, telegraph companies, and the many other kinds of interests.

While we have not changed our opinion as to the final outcome of wheat prices, owing to the large accumulations, we feel that where there has not been an extra bushel of wheat sold yet to Europe, the advertisement that an attempt will be made to sell wheat abroad has brought about sufficient decline for the moment. Europe probably will take some encouragement in the fact that our market had not declined as fast as theirs, and possibly may come stronger on Monday, which would give new encouragement to the trade here for a while.

At the close our futures were only about 2¢ under Liverpool, which does not speak well for the more distant future possibilities.

Corn, oats and rye all sympathised with wheat and declined quite considerably.

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# DAILY MARKET LETTER

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Mch 21 1932

Liverpool wheat cables, as we anticipated, were stronger today; their decline on Saturday was so extraordinary that it was not likely that other exporting countries would follow. However, the extreme advance was not held, and at the close today their May future is only a little over one cent higher than ours.

There were wonderful snows today almost all over the country, except that some parts of Texas and Oklahoma were overlooked. However, we do not think there is any likelihood of crop scares on account of lack of moisture for at least two or three weeks, and as far as we know the wheat plant is not suffering.

Fluctuations today were again largely caused by news from Washington; there were all kinds of rumors, none of which, however, had any foundation we believe. As far as we know, and we have been scanning the map to try to find some country that is not competitive, as the Farm Board intends to sell their wheat there, we could only discover one country: namely, Utopia, and we understand they are not in the market for wheat at the present time.

We have heard so much about the dry territory in Western Kansas that we have looked up the average amount of rainfall from July to February, and find that the Western third, with 4,557,000 acres, had an average precipitation of 9.13 inches compared with 10.87 as normal; the acreage in central third of Kansas, 5,827,000 acres, had an average rainfall, same period, of15,45 inches compared with a normal of 14.61; the Eastern third of Kansas with only 694,000 acres had an average rainfall of 26.46 inches compared with a normal of 20. The conclusion is that even without yesterday's moisture, conditions are better than average.

Canadian marketings today were 490,000 bushels. If the government had been right in its last estimate, after raising the crop twice, there would be only 8,000,000 bushels left in farmers' hand. We believe the out-turn must have been underestimated again 15 to 20,000,000 bushels. The United States visible supply shows a decrease of about 2,000,000 bushels whereas it showed an increase last year of 2,000,000 bushels; and at the present time is only 3,500,000 bushels more than last year. However, the United States' stocks in Canada, as well as mill stocks and farmers' stocks are much larger than in 1931, and we still believe there are from 75 to 100,000,000 bushels more wheat in this country than at the same period last year. Primary receipts continue to be light- 622,000 bushels compared with 1,337,000 bushels last year. Shipments are also light- 700,000 bushels compared with 1,264,000 bushels. Wheat clearances were only 32,000 bushels, all from New York.

Corn, oats and rye all closed higher in sympathy with wheat.

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# DAILY MARKET LETTER

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FORT WORTH GRAIN AND COTTON EX.

Mch 22, 1932.

Liverpool wheat cables were weak before our session opened, and declined still further, closing at the lowest point of the session. Evidently the Washington statement that there will be no **dumping** of wheat was not taken seriously abroad. At the very time these statements were made #2 hard wheat sold from New York at our Chicago May price, or less. There is no # 2 hard wheat raised East of Illinois, and practically all the #2 hard wheat at Eastern ports has been shipped from Chicago and paid freight and expenses of from 12 to 15¢ a bushel. Chicago still is the leading grain market in the United States, and all values are more or less influenced by their quotations. #2 hard wheat at New York usually sells about 10 to 15¢ a bushel over ours, or about the freight difference. If selling this #2 hard wheat at Eastern ports at Chicago May price is not dumping, what is dumping?

Of course, we fully appreciate that the situation is getting desperate, as these large accumulations of wheat cannot possibly be carried into another crop without doing much damage, and last week's clearances of United States wheat and flour amounted to only 1,025,000 bushels. When it is considered that the world's shipments were about 16,000,000 bushels, we contributed only one-sixteenth of all the wheat; yet when the situation is sized up, nothing has happened this year, or nothing is in sight, either in production or consumption, which would justify these low prices, except the accumulations during the years 1929 and 1930, and the fact that we forgot to sell our wheat this year earlier, and waited until the southern hemisphere made such undersirable competition. We doubt very much whether we actually raised much more wheat in the world than will be consumed. The world's carryover will be very much the same as in July 1931, and this would justify prices of 75 to 80 cents a bushel at a minimum. Now, if a lesson is to be learned, no matter how severe the penalty is, our surpluses must be sold and reduced to ordinary proportions, so that at least after 1932 there will again be fair prices for the farmer. There is no hope that we can see for the coming crop. The harm that has been done thru the Agricultural Marketing Act cannot be undone by a stroke, even if the act should be repealed forthwith.

There was lots of moisture all over the country, which is bound to benefit the growing crop very largely; and consequently, some alarming reports by crop experts were absolutely ignored and laughed at.

Canadian marketings, in spite of the low price, continue to be heavy at 529,000 bushels, despite the fact that farmers' holdings ought to be depleted. Primary receipts continue to be light-334,000 bushels compared with 873,000 bushels last year. We attributed these light receipts partly to bad roads. Clearances were light, only 80,000 bushels, all from New York. Stocks at Kansas City, Duluth and Minneapolis show an ~~in~~decrease of 298,000 bushels, indicating a good decrease in the visible supply next Monday.

Corn, oats and rye all suffered in sympathy with wheat.

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# DAILY MARKET LETTER

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FORT WORTH GRAIN AND COTTON EX.

Mch 23, 1932.

Liverpool wheat cables were senselessly weak today, when it is considered that their May wheat closed at 53 1/4 in our money, figuring the exchange at $3.64. This is the lowest price at which Liverpool May wheat has sold on this crop in our currency. The previous low price was reached on October 5, 1931, when our May wheat sold at 48 3/4¢ and Liverpool at 55 1/4¢ in United States currency, or 2¢ higher, exchange then being $3.78; in English currency May wheat sold then at practically the same price as now.

To us before the opening it looked as if it was most unlikely that Liverpool wheat could sell much lower. When it is considered how much freight and expenses are added in every country from the point of production to the point of shipment; and then again, freight and expenses until it reaches Liverpool, there can hardly be a place now in the world which is on a shipping basis. In fact, Argentine shipments already show a decline, being estimated for this week at a little over 4,000,000 bushels; also North American shipments are very light; so that next Monday world's exports ought to be extremely small. We concluded today that Liverpool probably will come much higher tomorrow, which is bound to have a sympathetic effect on our values, at least, temporarily, and therefore advised covering short wheat, and also figured that wheat was again on debatable ground. These messages went over our wires early this morning when May wheat was selling at 52 5/8¢. We have not yet positively advised taking the long side of wheat, as there are a great many bearish factors in the situation yet. For instance, Bradstreet's clearances from all of North America this week, wheat and flour, and this includes Canada, are 2,358,000 bushels compared with 4,916,000 bushels last year. We do not think we have ever seen such small clearances in years for one week. We further had in mind the fact that on Monday, March 14th, May wheat opened in Chicago at 60 1/2¢, and today it sold at 52 1/2¢, or a break of 8¢ in eight business days.

Taking the pros and cons affecting wheat values and weighing one against the other we think this is more of a two-sided market for the time being than it has been for some time. Much will depend now upon how the new crop will finally turn out.

Primary receipts of wheat were very light, 387,000 bushels compared with 706,000 bushels a year ago. This is partly caused by poor roads, but we believe the decline in the market will also prevent a heavy movement. Shipments were larger than last year, 478,000 bushels compared with 235,000 bushels last season. Canadian marketings continue to be heavy- 531,000 bushels. Kansas City, Duluth and Minneapolis stocks together show a net decrease of 62,000 bushels.

There was little additional rainfall overnight, but more seasonable temperatures are expected. In a few weeks from now we can state more positively whether there was much or little winter killing; we are inclined to the latter view.

Corn, oats and rye followed the trend of wheat more or less, but fluctuations in these cereals were much more limited.

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# DAILY MARKET LETTER

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FORT WORTH GRAIN AND COTTON EX.

Mch 24, 1932.

As we expected and indicated in our yesterday's market letter, Liverpool wheat cables were extremely strong today. This, in spite of the fact that sterling exchange also advanced five or six points. We felt that Liverpool May wheat at 53 1/4¢, with March wheat still lower, the lowest price on this crop, and the cheapest in centuries, could not last. England herself raises only a very small amount of her requirements- about 50,000,000 bushels of wheat; she buys about 40% of all the wheat of all European countries. Practically every bushel of wheat which goes to England has to pay a very high inland freight first, thenthe Oceanfreight, and all the other expenses have to be added; therefore, it can easily be figured out that any wheat selling at Liverpool at this price would not net the farmer very much anywhere, whether coming from Canada, the United States, Russia, Australia or the Argentine. We do not think, therefore, that we would be very wrong if we assume that the English prices probably had reached bottom, or very close to it; perhaps a few centuries hence attention will be again called to these extremely low prices, and a further explanation will be made that this was only due to interference with supply and demand situation in the United States where wheat had accumulated in such volume that the whole world was affected by it. However, there is a wide margin between prices in the United States and Liverpool when all the other items of expense are considered; consequently, England and Continental markets might improve still further without resulting in any benefits to this country, as sooner or later a shipping basis will have to be established.

The strength abroad had a good sentimental effect here, and our market was strong at times, altho closing about unchanged. Trade was somewhat lighter on account of the approaching holidays, and with Liverpool being closed for the next four days, we do not expect any radical change in prices during this period.

Weather in the meantime is getting more normal, and before very long it will be possible to at least have an idea of whether there has been much or little winter killing, and what the present prospects are for the new crop. This will probably be the largest influence during the next few weeks in wheat values.

Clearances today were very heavy, totaling 501,000 bushels, all from Eastern ports. Primary receipts of wheat today 311,000 bushels compared with 746,000 bushels last year. Stocks at Kansas City, Duluth and Minneapolis show a net decrease of 269,000 bushels. We look forward to quite a good decrease in the visible supply on Monday, which cannot be otherwise with these light receipts. Canadian marketings are 465,000 bushels, which is almost unbelievable and shows that the crop up in Canada must be 15 to 20,000,000 bushels larger than had been estimated.

Corn, which had been neglected for so long, was quite strong at times today. Rye and oats also improved with the firmer tendency in other grains.

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# DAILY MARKET LETTER

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FORT WORTH GRAIN AND COTTON EX.

Mch 26, 1932.

There were no cables today to guide us, liverpool being closed, and there were more or less holidays on the continent; therefore, the foreign business altogether was at a low ebb.

Weather was nice everywhere, almost normal, and not much precipitation. There were some reports of crop damage in the Southwest, but so far it is all more or less of a guess, as it is very difficult to tell the outlook of the winter wheat crop, and determine whether there has been much or little damage done until we have more growing weather. Our guess, in the meantime, from the few reports we are receiving, is that when the next Government report comes out, on the 9th of April, that conditions in the winter wheat belt will be pretty near normal, and will probably show very close to the 10 year average.

The chief event over the holiday was an estimate on the probable amount of spring wheat sowings issued by the Government. The report was bearish, and if any private concern would have issued such a report the construction placed on it would have been that they were trying to depress the market. The naturall thing would have been to compare last year's sowings with this year's sowings, but instead of doing this the Government made comparisons between last year's harvestings and this year's sowings. Incasmuch as a great deal of wheat was abandoned last year on account of the very poor weather, the showing, to those who have not analyzed the report very closely, appears very much worse than it actually is; by this, we do not mean that it is not bad enough, but the comparison shows about 7,000,000 acres more intended to be planted this year than harvested last year, while actually only 4,000,000 acres more are in prospect to be planted than in 1931. However, if the figures are anywhere near correct, the total winter and spring wheat acreage will be much the same as last year; consequently, there is no reason as yet to expect that the 1932 crop will fall much below the one of 1931; or in other words, winter wheat will be considerably less because last year there was a bumper crop, and spring wheat very much larger because therewas an absolute crop failure a year ago. The spring wheat report depressed the Northwestern markets apparently, and the premium over ours, which has been declining right along, declined again today. This in turn will react on the Kansas City market, and will be another depressing influence. We, therefore, see no inducement yet to make purchases of wheat for a permanent investment.

Primary receipts today were 623,000 bushels for wheat, compared with 695,000 bushels a year ago. Canadian marketings continue to be heavy at 430,000 bushels. Clearances were light at 8,000 bushels. Stocks at Kansas City, Duluth and Minneapolis show a decrease of 283,000 bushels. We look for a good decrease in the visible supply on Monday.

The United States Government today gave official exports for February of wheat and flour from the United States as 7,853,000 bushels compared with 3,566,000 bushels last year; and the total since July 1st of about 97,000,000 bus. against 96,000,000 bushels a year ago. However, the figures in both cases included the wheat which was shipped to Canada and has not yet been exported as well as the flour made out of Canadian wheat and ground in bond: deducting those figures, we think the total net exports this year would show about 80,000,000 bushels; it is difficult to make comparison with last year.

Corn, oats and rye all were lower in sympathy with wheat.

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FORT WORTH GRAIN AND COTTON EX.

Mch 28,1932.

Liverpool markets have been closed since last Thursday, and therefore, we had no quotations from there to guide us. There also were holidays on the Continent- consequently, not much cash business could have taken place. However, a little news filtered thru from abroad; World's shipments were given as 13,986,000 bushels, which is 2,000,000 bushels less than last week and 1,000,000 bushels less than a yearago- hardly enough for their weekly requirements.

We also had a cable from our Mr. R ichard Uhlmann, who is in London at the present time, stating that the trade in general is feeling very bullish onfutures in their market; also that the general feeling is much better, and that a better demand for wheat is inevitable. We fully concur in this view and have stated right along that no matter what one may think of Chicago values, when Liverpool May wheat sells close to 55¢, and one considers the enormous amount of inland and ocean freight which has to be paid before it reaches English ports, their prices should have pretty near reached the low point. If it were not for that we would expect very much reduced quotations tomorrow; in fact, we may get them anyhow, because since the close of the English banks on Thursday English exchange has had a wonderful advance, equal to possibly 2¢ a bushel, and some of this ought to be expressed in theprice, unless their market should be very firm on their own local conditions.

The visible supply shows a decrease this week of about 3,000,000 bushels versus an increase of 764,000 bushels last year, and total figures are now very much the same as last season- a little over 202,000,000 bushels. However, stocks of United States wheat in Canada, as well as stocks in farmers' hands and in country mills and elevators are probably very much larger than last year. Clearances today amounted to 271,000 bushels. Primary receipts of wheat were very light, only 435,000 bushels against 1,103,000 bushels last year. These light receipts are probably due to bad roads and partly to the low price which wheat is bringing at the present time.

Weather over Sunday was mostly fair, altho there was very heavy rain at Liberal, Kansas, which must be very beneficial in that territory. Oklahoma City also had good rains, and as Oklahoma was recently neglected when there were rains almost every other place, it also must be very welcome.

The most surprising factor is the continued heavy receipts in Canada. That country is supposed, if statistics published so far are correct, to have only about 5,000,000 bushels of wheat left in farmers' hands, and we dare say that there will be that much left on August 1st, or the end of their crop year, as all farmers do not sell their last bushel of wheat. Inasmuch as there are 18 more weeks left until August 1st it seems that the crop must have been underestimated again about 20,000,000 bushels, or more. From now on, however, we expect very light shipments from Russia; even last year their shipments amounted to only about 6,000,000 bushels for the balance of our crop year. There will also be lighter shipments from Argentina and Australia, as they usually have reached their peak at this time of the year; consequently, the demand from North America should steadily increase. The first benefit, naturally, will go to Canada, as their wheat is so much cheaper than ours, except for such wheat as the farm Board is willing to sell at a sacrifice.

Corn followed wheat, oats showed very little change, and rye was quite strong.

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FORT WORTH GRAIN AND COTTON EX.

Mch 29, 1932.

Liverpool wheat cables, after a four day recess, opened this morning reasonably firm, particularly when it is considered that the sterling exchange in the meantime had advanced very sharply. However, the strength did not hold, and the close showed such weakness that their May wheat is again only 1/2¢ over ours. This happened in spite of the fact that the quota of permitted importations to France is now 40%, and the major influence abroad undoubtedly is the fact that more United States wheat is clearing and selling now than for some time past. Of course, this wheat is all being sold by the Farm Board, as nobody else can compete with them in the prices they are getting for their wheat-being much below that at which any other owner could dispose of his holdings at the Seaboard without a loss.

However, in trying to analyze values for the coming crop, we think it is well to consider chiefly the size of the crops, and actual conditions, and forget all about the farm board. We do not think the farm board will be much of a market factor after July 1st. As near as we can figure out, their maximum stocks of wheat were - - - - - - - - - - - - - - - - - - - - - 255,000,000 bushels

Since then they sold to China-15,000,000 bu.
Bartered to Brazil - - - - - -25,000,000 "
Sold to Germany on credit- - - 7,500,000 "
Gave away to the Red Cross - -40,000,000 "
Have disposed of, or will
dispose of otherwise
5,000,000 bus. per
month, or total - - - - - - - 60,000,000 "

T O T A L - - 147,500,000

Consequently on July 1st their holdings
ought to be reduced to - - - - - - - - - -107,500,000 bushels

Of this we would estimate their futures are
about - - - - - - - - - - - - - - - - - - - - 28,000,000 "
in which case they would have left only
about - - - - - - - - - - - - - - - - - - - - 80,000,000 " of
cash wheat.

If our figures on the probable carryover are correct, there will be a total of 435,000,000 bushels of wheat, so there would be 355,000,000 bushels of free wheat, or almost four and one-half times the amount the Farm Board will have. This free wheat will have to be financed by the grain trade, banks, etc., same as before. We believe the wheat trade has been able to hold its own financially in these distressing times when they had to compete with the farm board, while the farm board has been using up its $500,000,000. appropriation, plus interest; at least, as far as available means are concerned. Therefore, from now on the grain trade will be in splendid position financially to compete with the farm board, and probably business will be done again in a legitimate, normal way, which ought to be a wonderful help to the farmer. Of course, it cannot be expected that all the mischief which has been done can be corrected immediately, but possibly one year after the Agricultural Marketing Act has been repealed we may look forward to sound conditions.

Wheat clearances were the heaviest for some time, including the ports of Baltimore, Galveston, New Orleans and New York, a total of 816,000 bushels. Primary receipts were extremely light-286,000 bushels versus 860,000 bushels last year. Stocks at Kansas City, Duluth and Minneapolis have decreased 119,000 bushels so far. Canadian marketings continue heavy at 411,000 bushels.

Weather we think is pretty near normal everywhere, altho there was no further precipitation. Of course, this is a very big country and there may always be spots discovered where the wheat plant is suffering from one cause or another- the same as the 120,000,000 people in the United States are not all in prime health; but as far as we can tell the winter wheat prospects at the present time are about normal. We think the government report which will come out on April 8th will confirm this, and it willgive the condition very close to the ten year average. Of course, all future calculations must always be based on the normal

Corn, oats and rye were quite strong during most of the session, but showed no independent action, and followed very closely the fluctuations of wheat.

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Mch 30, 1932.

Liverpool wheat cables were very strong before our session opened, but lost part of the advance. The sterling exchange fluctuated wildly, closing somewhat lower. The market was almost entirely influenced by bad reports coming from certain territories in Nebraska and Kansas, and there was enough bad news sent in here to boost wheat prices two or three cents a bushel had there been a large short interest. As it was, it looked as if the few shorts who are still convinced that the supply and demand situation does not justify higher prices, even should the crop be somewhat below average, were also finally forced to cover, bringing about a moderate rally. We think that for the next few days the market will continue to be influenced by weather conditions and crop reports, but we still think that when the Government report comes out on April 8th it will confirm our views that while there was damage in some territories, the whole winter wheat crop will promise close to the average.

Kansas City, Duluth and Minneapolis stocks show a decrease of 273,000 bushels, indicating a decrease in the visible supply on Monday. Wheat clearances were 210,000 bushels compared with none last year. Primary receipts were extremely light at 251,000 bushels versus 742,000 bushels a year ago. Canadian marketings were 422,000 bushels, extremely heavy for the time of the year and considering the smallness of the crop.

Corn, oats and rye sympathised with the strength in wheat, particularly rye, which was very much higher.

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March 31, 1932

Cables were very indifferent today and sterling exchange also did not move very much. Broomhall cables that the lack of cash demand and the fact that estimated heavy Argentine shipments are about 4,500,000 bushels are the causes of the prevailing weakness. Russian and Danubian shipments were a little larger than heretofore, being about 600,000 bushels; and it is just possible that when navigation opens they may increase somewhat.

There was no change in the weather here. Temperatures are about normal, and there was no precipitation worthy of mention. There were not as many reports circulating on the growing crops as yesterday. Evidently there were no new features, and the trade in general is rather skeptical.

Last week's exports of wheat from the U.S., according to Broomhall, were 1,769,000 bushels, and from Canada 3,783,000; total, 5,552,000 bushels. U.S. clearances, while heavier of late, are still very light, being at the rate of only 90,000,000 bushels; while the Canadian clearances of less than 4,000,000 bushels are also very insignificant. We figure, basis Canadian Government figures for the crop, if correct and should shipments be at the rate of 4,000,000 bushels of wheat per week, the carry-over in Canada will be 121,000,000 bushels on August 1st. However, as we believe the government has underestimated the crop 20,000,000 bushels, there would be as much as 141,000,000 bushels carried over, compared with only 140,000,000 bushels in 1931.

To show how poor is the export demand for Canadian wheat, although it is selling cheaper than ours, there are still 6,609,000 bushels in bond on boats at Buffalo; and the sale of this wheat is so slow that arrangements are being made now to continue to store it in boats instead of having it unloaded and disposed of.

The United States government gives another figure of country mill and elevator stocks as of March 1st, 74,000,000 bushels. This compares with 83,000,000 bushels last year; and the total official figures now on farm reserves, country mill and elevator stocks, and commercial visible supply, including U.S. wheat in Canada on March 1st, are 525,000,000 bushels against 456,000,000 in 1931, or an increase of 69,000,000 bushels. There is still one item missing: namely, the stocks in big mills, which we are convinced are very much larger than last year.

The disappearance of wheat for the last four months of 1931 was 158,000,000 bushels for consumption and 34,000,000 for export. We figure that the exports will be smaller this year; and as a result we calculate that the carry-over might be 420 to 430,000,000bushels, depending upon the amount of wheat in big mills. Last year the big mill stocks amounted to only 70,000,000 bushels, but this year there should be 80 to 100,000,000.

The following end-of-month prices on May wheat since last November will show how small the fluctuations have been: Nov.30, 1931, 58 1/8-58; December 31, 1931, 56 7/8-57; January 30, 1932, 58 7/8-59, February 29, 61 1/8-61; and today 54-54 1/8. Even going back 15 months, we find that July wheat sold on December 31, 1930, at 62½¢, or only 6¢ higher than at present. Thus, while the market in the past 15 months appears as a great bear market, this was not actually the case as far as prices are concerned except that we had good carrying charges, which were all lost, and the price declined somewhat further later, but not very heavily.

Canadian marketings were extremely heavy at 498,000 bushels, while primary receipts were light here at 328,000 bushels against 612,000 last year; and there were no wheat clearances. Stocks at Kansas City, Duluth, and Minneapolis show a decrease of 556,000 bushels so far, and we rather expect a big decrease in the visible supply on Monday.

Corn sympathized with wheat, while oats and rye showed

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April 1st, 1932.

Liverpool wheat cables were rather weak today, even after taking into consideration a slight improvement in the sterling exchange. The fact that Australia again shipped 4,000,000 bushels of wheat, and that the American farm board seems to offer #2 hard wheat quite freely, has a bearish effect abroad.

We have about come to the conclusion that the only thing which keeps Chicago and Liverpool futures so far apart is the continuous offers of wheat on part of the farm board at about the Chicago May price at Eastern ports, while the ordinary difference would be about 15¢ a bushel. Of course, it is not likely that they will ship any more wheat East, which is a sure loss of 15¢ a bushel; consequently, it is only a question of time until the accumulated stocks in the East, which can only be disposed of thru export sales, are depleted. That this will come, seems to us quite sure, only it is impossible to state the time. At present the difference is about 2 1/2¢, Liverpool being that much higher.

The chief influence for a while today was reports on the 1932 winter wheat crop by experts; their opinions do not vary very much, and they indicate a yield from present prospects of about 500,000,000 bushels. This, of course, makes a very poor showing in comparison with last year when we had a bumper crop. However, even this estimate is based on a further average deterioration from now until harvest time, and the par estimate per acre will be raised from now until the end of the season; so further deterioration will have to take place, otherwise, the yield will be larger. After all the condition is about equal to the ten year average; consequently, this is normal, and all one may reasonably expect.

The trade was inclined to construe these reports as bullish, but there has been so much May wheat liquidated of late that the market is suffering from these sales, particularly where new buyers are very scarce in view of the generally poor business conditions.

Canadian marketings 352,000 bushels, a little less than lately, but still very large. Clearances were none. Primary receipts of wheat are still very light- only 249,000bushels; last year was a holiday. Stocks at Kansas City, Duluth and Minneapolis show a big decrease of 751,000 bushels, and we look for a very large decrease in the visible supply on Monday.

Corn reached a new low point in spite of very light receipts- same being 276,000 bushels.

Rye kept comparatively firm, and oats remained neglected.

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FORT WORTH GRAIN AND COTTON EX.

April 2, 1932.

Liverpool wheat cables were very strong today, yet when our session opened there was no strength here, the feeling being rather pessimistic on account of the weak stock market. However, later on the fact that there was no rain overnight brought in some buying orders, advances were developed, shorts finally became scared and we had a real bull market, such as we have not had for some time. However, as outside markets did not follow fully, neither Winnipeg nor the Southwest, like Kansas City, we consider that great caution is required. At the close today we are about the same as Liverpool, so all the readjustment has to come yet.

The time element is becoming quite important now. We are only about 2 1/2 months away from the period when enterprising country elevator grain men will want offers on New wheat. It is true, the crop will actually not move in commercial quantities until about the first of July, but the first shadows of the approaching movement make themselves felt. Therefore, the time left for house cleaning is very short, and so far we have not done much in this direction.

If we review what happened this year, and the many theories which had beenexploded, it shows that from now on we need actual facts, and not theories, if we wish to maintain a bull market. At first we were told that there would be an extraordinary amount used for animal feed; this has not proven to be true, or else the large stocks would have been greatly reduced. Then, there was an expectation that the Orient would buy much larger quantities of wheat and flour on account of the poor rice crop and the low price; also that European requirements would be heavier because Russia's spring wheat crop was so poor. As a matter of fact, European and non-European importations together were only a trifle more than last year. Then it was expected that the Farm Board's holdings of wheat would be impounded. Then again, it was thought large quantities of wheat would be sold to China, or to other European Governments on credit. None of these things have taken place. The only hope left now is that a miracle will happen in the way of a very short winter wheat crop, or great deterioration in European yields.

Inasmuch as the weather question is all important now, particularly for prices next week, we are paying some attention to the long-time weather prediction, which holds out reasonable hope for more or less precipitation in the Southwest both at the beginning and end of the week.

Primary receipts were very light again today- 342,000 bushels against 866,000 bushels last year. Stocks at Kansas City, Duluth and Minneapolis show a decrease of 846,000 bushels, indicating a big decrease in the visible supply on Monday. Clearances were 49,000 bushels, compared with none last year. Canadian markets were 398,000 bushels, again heavy.

Corn, oats and rye all sympathised with the strength in wheat and closed higher.

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April 4, 1932.

Liverpool wheat cables did not fully follow our Saturday's advance, and must be construed as rather discouraging. The larger world's shipments, of 15,619,000 bushels compared with only 13,887,000 bushels last year, may have had something to do with it. However, the chief reason is undoubtedly the fact that the larger exporting countries, like United States and Canada, are offering large quantities freely every night. It now looks as if Canada might have as big a carryover as last year. Taking the Government figures for the three Provinces of 284,000,000 bushels, farmers have delivered so far 228,000,000 bushels and 55,000,000 bushels is usually consumed in the interior for feed, milling and seed, we can figure up 283,000,000 bushels, so there should practically be no wheat left in Canada. Therefore, the crop must have been underestimated to the extent of what the farmers will continue to dispose of between now and the first of August- or almost four months.

The weather, of course, was the all-important factor. There were no rains anywhere to speak of in Kansas or Nebraska, more dust storms were reported, and some alarmists have almost entirely killed the crop already. This is nothing new in our experience, but as soon as we get more favorable weather we shall probably have reports about the wonderful improvements in the outlook, and it is a poor bet to figure that the usual April showers will not come.

To show how the tendency at this time is to exaggerate everything, we call attention to LeCount's summary this morning in which he reports that we are facing another serious drought year in our Northwest and Canada. Canadian precipitation from September to the end of March normally is 5.76, this year it is 6.58, last year it was 5.73 and the year before 5.31; therefore, the outlook is better than in the year 1929-30 when we raised a big crop; also much better than last year and considerably above the normal. Of course, it may never rain after this, but at the present time these alarmists' reports do not seem to give the trade the proper information as to the present outlook.

There undoubtedly was very heavy short covering, which was accentuated by the very large decrease in the visible supply of 5,736,000 bushels compared with 365,000 bushels last year, and the total is now 5,299,000 bushels less than in 1931. Canadian marketings are still very fair at 332,000 bushels. The wheat clearances today were 112,000 bushels. Primary receipts were very light- 600,000 bushels against 1,883,000 bushels a year ago. As far as the decrease in the visible supply is concerned, to some extent, it undoubtedly is due to the fact that wheat which was held at Buffalo in boats had to be unloaded and that the Farmers National Grain Corporation is trying to dispose of its Eastern holdings at about the Chicago May price, or 15¢ a bushel under Chicago values freight and expenses considered.

Toward the close there was some reaction from the top, but yet the net advance was about 3/4¢ for the day. This makes Liverpool wheat now about 1 1/2¢ higher than ours.

Corn followed wheat only reluctantly. Oats and rye also showed but small advances.

The extreme weakness in the stock market was entirely ignored, but as same represents the general poor business conditions in this country and the poor purchasing power, it will come to the front again should the weather improve.

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April 5, 1932.

Foreign wheat cables were again disappointing. There were no rains again overnight in the Southwest and temperatures are very normal; there were a few scattered rains in the Central States. However, there was tremendous short covering yesterday, and the open interest has been largely reduced; therefore, longs also must have liquidated and new buying orders must have been comparatively small.

Bad reports continue to come in from certain territories comprising of about 10,000,000 acres of winter wheat. Had conditions been normal instead of having had an advance of 3 to 5¢ a bushel the market would be boiling by this time. However, as we have pointed out so many times before, everything has changed and the world is commencing to appreciate that wheat, even with poor crops, will not sell at the same prices as in previous years on account of the large farm board accumulations. There are fair clearances daily now in spite of the fact that we are out of line. There can only be one conclusion; namely, that the Farm Board has come to the conclusion that they must get rid of their burdensome stocks before the new crop commences to move, and also that it will be an absolute necessity to save the heavy carrying charges, which have been paid more or less for a couple of years.

Broomhall divides North American clearances last week of 6,114,000 bushels as follows: 2,367,000 bushels from the United States and 3,747,000 bushels from Canada. We have concluded from this that the Farm Board policy of selling their 5,000,000 bushels monthly will be continued until the first of July, in which case we figure that their unsold wheat will be reduced to about 110,000,000 bushels; namely, 5,000,000 bushels sold per month would amount to 60,000,000 bushels; 47,500,000 bushels sold to foreign Governments and 40,000,000 bushels handed over to the Red Cross, makes the total 147,500,000 bushels from a maximum stock of 255,000,000 bushels. There is no reason to believe that the selling policy will be changed after the first of July, so possibly by the end of next year all the wheat which will be in this country will again be owned by the grain men, the public and the farmers. This, of course, will hurt the price until the importing countries can absorb this additional wheat; and this to some extent is what the market is feeling already.

Stocks at Kansas City, Duluth and Minneapolis decreased so far for the week 228,000 bushels. Primary receipts are extremely light- 226,000 bushels, compared with 611,000 bushels last year. Clearances were 248,000 bushels, all from New York. Canadian marketings are still very fair at 298,000 bushels.

Corn, oats and rye were all weaker in sympathy with wheat.

For the next few days the action of the market will depend more or less upon weather conditions. Our weather man thinks that possibly there may be some precipitation in the Southwest in a couple of days; however, he is not quite sure about it.

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MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

April 6, 1932.

Liverpool wheat cables were very weak today before our session opened, altho they improved a little afterwards. The weakness abroad caused lower prices here at the opening, but they did not last very long as the main factor is still the weather, particularly in Western Kansas and Nebraska. Crop reports continue to be very bad from that quarter; there are more indications of rain, but nothing absolutely certain whether it will hit the very dry territory. Weather markets always bring very sharp flucutations and today was no exception. Further reports of dust storms brought in buying orders, and even a report like sprinkling of rain caused a more bearish feeling.

As a matter of fact wheat has been affected now for three months by the supposed influence of poor crop outlook in the western territory on one side, and large stocks from previous crops on the other side, which so far have prevented any prolonged movement either up or down. May wheat sold on the last day of December at 57¢, and at one time during the session today also brought this price.

Those who had based their hopes on a much smaller winter wheat crop have not made any progress, altho there is no question of a doubt that the crop will be a great deal less than last season. On the other hand, those who expected pressure from the heavy stocks could make no progress either. This situation is likely to continue more or less until the new crop actually moves, and if then the demand from abroad is not sufficient it might be difficult to sustain present values. In the meantime there will be some uncertainty.

A Washington report today states that after providing for the bank loan on part of the Farm Board for the 40,000,000 bushels of wheat which were donated to the Red Cross there will be only a cash balance left of $25,000,000. or $30,000,000. which had not been promised for other purposes. This amount will about be needed for carrying charges on wheat and cotton for one year, so that there will be very little left for any active operation, nor is there much provision made in case markets should decline further. Consequently, as we have repeated before, we do not think the Farm Board will be much of a factor from now on, and we can easily understand why they are so very anxious to make wheat sales abroad, even tho the prices should be considerably less than market values based on Chicago.

Wheat clearances today were 231,000 bushels. Primary receipts of wheat were very light at 257,000 bushels, compared with 888,000 bushels last year. Kansas City, Duluth and Minneapolis stocks show a net decrease of 350,000 bushels, which is indicative of another decrease in the visible supply on Monday. Canadian marketings are still very good at 263,000 bushels.

Corn at times was a little stronger in sympathy with wheat, but the advance did not hold. Oats were weak and rye particularly so.

UHLMANN GRAIN CO.

# DAILY MARKET LETTER

MEMBERS:
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NEW YORK RUBBER EXCHANGE

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MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

April 7, 1932.

Liverpool wheat cables were practically unchanged from their close yesterday and were no factor here. The apathy abroad can easily be explained, as shipments from the various exporting countries are quite sufficient for their wants, and daily offerings are made from the different exporting countries. It is estimated that Argentine shipped again over 5,000,000 bushels of wheatcompared with about 3,500,000 bushels last year; Black Sea shipment are light at 240,000 bushels, but so were they last year when they amounted to 536,000 bushels; this, with Australia still furnishing reasonable quantities, and Canada and the United States both anxious sellers, makes the European supply situation very comfortable.

The chief factor here, however, was again the weather, particularly in Western Nebraska and Kansas. There were no rains in that territory over night, while precipitation had been anticipated. There was some moisture in the Eastern part of Kansas, but altogether the rainfall did not amount to much, and the outlook for further rains is also not very good. Therefore, if our market showed no decided change, altho the close was somewhat higher, we necessarily have to look for other reasons affecting wheat values. At the close today our May future, which is the leading one, practically closed at the same price as last Saturday, when we had very sharp bulges. Since that time we have had nothing but bull news. On Monday the visible supply showed a tremendous decrease- the largest one in years at this period. The private, as well as public wires, were flooded with bad news about the dry territory in Kansas and Nebraska; there were dust storms in many districts, and some reporters sent most alarming news. If the market itself could talk and were asked for an explanation, we think it would say something about like this: "This country will sow about 60,000,000 acres of spring and winter wheat, and supposing the 10,000,000 acres which are mostly affected would be about normal, the outlook in this country would be way above average." Now these 10,000,000 acres which are affected by drought do not necessarily make prices for the whole world; there may be enough wheat carried over in Kansas alone to make its supply, even with the poor crop, big enough so that the shortage will never be noticed. Furthermore, Stone confirmed again today that the Farm Board has reduced its holdings very largely, and is continuing to sell as fast as the market permits. Inasmuch as the United States will have as much wheat, and more, than last year, and the Farm Board will have less, the public will have to carry the balance of the load. Now we figure that at the present time there are perhaps 155,000,000 bushels of wheat which are not in an export position: that is, in order to ship the wheat abroad it would have to go to the seaboard at big freights, and therefore show a tremendous loss. The chances are this wheat will not be used for such purpose, and except what the farm board holds it is mostly hedged. The total open trades in this market are only 122,000,000 bushels; therefore, the actual amount in the visible supply is very large compared with the open interest. Of course, it is true there also are hedges in other markets, but there also is plenty of wheat in mill and private elevators which does not show up in the visible supply, so there is a big load on the market right along.

Primary receipts of wheat today were 351,000 bushels compared with 777,000 bushels last year, and still very light for the time of the year. In consequence, stocks in the chief primary markets are still decreasing. Stocks at Kansas City, Duluth and Minneapolis decreased so far 501,000 bushels, indicating another good decrease in the visible supply on Monday. Clearances were only 8,000 bushels. Canadian marketings at 221,000 bushels are lighter than they have been of late. However, it would be a premature conclusion that there isn't much wheat left in Canada because the farmer is busy now, and this alone would prevent him from delivering much at the present time.

Corn and rye were lower in spite of the strength in wheat. Oats were practically unchanged.

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# DAILY MARKET LETTER

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KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

April 8, 1932.

Liverpool wheat cables were rather strong today before our session opened, but lost most of the gain before their close. Weather was very dry all thru the Southwest where rains are so needed, and indications before the opening were for higher markets. However, the extreme weakness in stocks was a great discouragement, and furthermore the possibility of a change in the weather in the Southwest bringing about some rains. When liquidation once started it was difficult to find new investment buyers, and the trend was downward almost thruout the whole session, with very few and weak rallies. This is possibly the first time in the trade that in spite of continued bad reports from important districts that we had a declining market; but those who had followed our advices will remember that we predicted this would come about, as the whole wheat situation has changed so radically since the Farm Board accumulated such burdensome stocks, and thru false hopes helped to increase wheat acreages in all exporting countries. We are now paying dearly for this experiment, and see no hope for a change in the near future, because while we had been used to much higher figures, it is well to bear in mind that even if only 100,000,000 bushels of wheat have to be liquidated yet by the stabilization corporation, the effect is likely to be very disastrous.

Tomorrow's market will largely depend upon the Government figures, which will come out this afternoon, and again whether precipitation will materialize or not. Therefore, it is useless to make any predictions now.

Canadian marketings are getting lighter- 201,000 bushels. Stocks at Kansas City, Duluth and Minneapolis decreased 791,000 bushels, indicating another very good sized decrease in the visible supply on Monday. Primary receipts are a little better, but still very light- 406,000 bushels compared with 753,000 bushels a year ago. Clearances were 403,000 bushels against 32,000 bushels last year.

Corn, oats and rye all were heavily liquidated, and closed considerably lower.

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# DAILY MARKET LETTER

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FORT WORTH GRAIN AND COTTON EX.

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April 9, 1932.

Much happened overnight. The Government report came out yesterday afternoon estimating the probable yield of winter wheat at 458,000,000 bushels compared with 788,000,000 bushels final result last year. This estimate is much below what was expected, and much less than the private experts thought it would be, and if correct, must be considered as strictly sensational. It becomes more so when it is considered that the weather has been rather unfavorable since the figures were compiled- about eight days ago, and again when it is analyzed according to the different states. For instance, Kansas is supposed to raise only 98,500,000 bushels compared with 239,000,000 bushels last year; in Nebraska, Kansas, Oklahoma, Texas and Colorado together, 207,000,000 bushels against 444,000,000 bushels in 1931. Also where reasonable yields were expected in the Eastern and Central states, we find that Pennsylvania, Ohio, Indiana, Illinois, Michigan and Missouri would raise only 124,000,000 bushels compared with 204,000,000 bushels a year ago.

It is only natural to assume that from now on the trade will be extraordinarily sensitive to any bad news either from our Northwest or from Canada, and in nine years out of ten, even when we raise the best crops, there are periods intervening when bad results are feared.

Now we are fully cognizant of the fact that even poor wheat crops in the United States considering the large carryover will not necessarily mean very high prices, as this has been spoiled by the FarmBoard's accumulations, but were it not for that, and with the normal carryover and present prospects, wheat easily might sell 80 to 90¢ a bushel; consequently, even allowing much damage to the price, having been done thru our past sins, a 60¢ level or so might yet become very attractive.

Of course, we want to make ourselves very plain, that this is all based on these Government figures, and we would have to change our mind if afterwards they would prove to be wrong, or if weather conditions would bring about great improvements. We have seen such things happen before, but we have also seen some cropswhich started badly not come out any better at the end. Therefore, much will depend upon the elements which nobody can predict.

In the meantime, it looks to us, considering the low price, that it is not safe to be short wheat, and the long side would be preferable.

The report is so extraordinarily sensational that some suggestions were made: first that the Government used a different par value than ordinarily, but we immediately had somebody call up the Agricultural Bureau at Washington, where we received a denial, and a positive statement that the estimates were made on the same basis as the last three years. Then it was suggested that possibly the abandoned acreage which usually is only taken out in May, had already been considered as abandoned in this report; should this be the case, which is likely, then the condition, about 75, on the remaining acreage would still make a very poor outlook. Therefore, right or wrong we must work at the present time on Government figures until we learn differently.

Canadian marketings were 186,000 bushels. Primary receipts of wheat were 528,000 bushels compared with 718,000 bushels last year. Wheat clearances, all from New York, were 163,000 bushels.

Corn, oats and rye all profited by the great strength in wheat, and were considerably higher.

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# DAILY MARKET LETTER

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FORT WORTH GRAIN AND COTTON EX.

April 11, 1932.

Liverpool wheat cables were reasonably firm before our session opened, but advanced a little during the day when they found that our market responded to bullish news.

The chief influence is still the very bullish government report, but its effect Saturday had been somewhat neutralized by other bearish conditions. If the Government figures are correct on abandoned acreage of 14%, the area to be harvested this year would be about 33,200,000 acres. This would compare with other years as follows:

| Year | Area harvested | Year | Area harvested |
|---|---|---|---|
| 1917 | 27,257,000 acres | 1925 | 31,234,000 acres |
| 1918 | 37,130,000 " | 1926 | 36,987,000 " |
| 1919 | 50,494,000 " | 1927 | 37,723,000 " |
| 1920 | 40,016,000 " | 1928 | 36,179,000 " |
| 1921 | 43,414,000 " | 1929 | 40,059,000 " |
| 1922 | 42,358,000 " | 1930 | 38,608,000 " |
| 1923 | 39,508,000 " | 1931 | 41,009,000 " |
| 1924 | 35,656,000 " | | |

Therefore, the present acreage would be the smallest since 1917, with the exception of two years. Assuming an average yield on about 33,000,000 acres to be only 500,000,000 bushels, then with a condition as now given of only 75, a short winter wheat crop is the best that can be expected; so it is safe to assume that there will be no great pressure from the winter wheat movement at any time during this coming year. Nevertheless, with the enormous carryover of over 400,000,000 bushels, together with an average spring wheat crop , we shall still be dependent on export, and therefore cannot ignore Liverpool quotations entirely.

At the close today Liverpool was lower than we, but no doubt they will come much higher tomorrow. Winnipeg, however, lost ground on us, and the extreme weakness in the stock market was a deterring influence, all of which must be considered since we have had an advance now of almost 6¢ a bushel. Ordinarily, of course, this government report would have added a great deal more to the price, and probably will do so yet if other conditions right themselves.

In the meantime with prospects of continued dry weather in the Southwest, every day traders will look at the weather map, and if they find it unfavorable, they will be inclined to take the bull side of wheat. Moderate showers would not change the situation, but a few very good soaking rains may make a big difference. These are elements which cannot be foreseen, and consequently, one may be permitted to change one's mind should conditions change.

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FORT WORTH GRAIN AND COTTON EX.

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We find that last year Argentine shipments continued to be very heavy for a long time, probably averaging over 4,000,000 bushels weekly until July 1st, which we do not think will be duplicated this year. Australian shipments also were quite large last year, although not as heavy as the Argentine shipments. We think both countries from now on will be more reluctant sellers, and Europe will have to look more to the Canadian northwest and buy larger quantities from the Farm Board. From information we have from abroad, Mr. Milnor is still negotiating with Germany for large quantities of wheat on credit, but whether this will materialize or not is difficult to tell.

The visible supply shows a large decrease, 4,400,000 bushels, compared with 2,271,000 bushels last year; and the total is now 7,432,000 bushels less than it was then. Primary receipts were light at 583,000 bushels against 1,380,000 bushels a year ago. Clearances were pretty fair at 530,000 bushels. Canadian marketings show a falling off to 212,300 bushels, but Canada has already over-shipped 1,000,000 bushels based on government figures, and therefore the crop was very much larger than estimated.

In spite of the great strength in wheat, corn continued to act very weak. It seems there is no consumptive nor speculative demand, but the price certainly looks low.

Our Mr. Richard Uhlmann cabled that it is the general impression that a German representative is on his way to America and that the German government is seeking to make some purchases of rye.

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April 12, 1932.

Liverpool wheat cables did not show a good response to our sharp advance of yesterday; neither did Winnipeg, representing the Canadian markets, seem to be over-enthusiastic about the value of wheat. Therefore, before the opening we anticipated a reaction today, which was materialized, but the whole country is now very much imbued with the idea that wheat is worth more money, and speculative purchases were on a large scale, so that the close for the third day since the Government report was issued showed an advance, amounting today to 1 1/4¢.

What has happened so far was quite natural, and was to be expected at one time or another. We quote from a letter as far back as August 7, 1931, as follows:

> "Taking a long look ahead, we feel that it is time to get off the short side of wheat at these levels. By this we do not mean that wheat will advance today or tomorrow, or perhaps next week or next month. Nobody can foretell the immediate swings. It was the long view which we had taken when we assumed a bearish attitude on the market, figuring that the increased acreage would make the bull side uncomfortable.
>
> Now we think a readjustment will come very fast. This year's winter wheat acreage is 42,000,000 acres. We think it more than likely that a reduction due to the present low prices might be 10 per cent, or 4,200,000 acres, leaving 37,800,000 acres. The average winter killing is about 10 per cent, or 3,800,000 acres, and reduces the standing acreage to about 34,000,000 acres. The average yield is about 15 bushels per acre, or 510,000,000 bushels compared with 744,000,000 bushels this year. Should there be any such prospects next year in February or March, traders would get very much excited at these low prices."

If the final acreage, as we expect, will be somewhat raised, we think we shall just have about 34,000,000 acres standing, and possibly the crop might still reach 500,000,000 bushels should we have a little better than average weather from now on.

We now think it is time, since the anticipated short crop in winter wheat will be realized on account of the small acreage, to take a new look. We do not believe the winter wheat crop has ever been below 12 bushels per acre, and as the outlook in the Eastern wheat belt is liable to show great improvement, we still think that a fair estimate on the winter wheat crop would be 460,000,000 bushels; and adding a normal spring wheat crop of 240,000,000 bushels would give us a total yield of 700,000,000 bushels, with a consumption of 650,000,000 bushels, or 50,000,000 bushels surplus. Now assuming that we cut into our carryover to the extent of about 100,000,000 bushels, it would give us an exportable surplus of 150,000,000 bushels and yet leave us with a carryover of over 300,000,000 bushels next year.

Therefore, we do not think we shall have a run-away market, at least not until Liverpool follows us, which they would do only if other countries also would suffer with poor crop prospects. However, there is no chance any more for extremely low prices such as existed this year.

Primary receipts of wheat still light at 333,000 bushels, compared with 533,000 bushels last year. Canadian marketings are dropping off, being only 181,000 bushels today. Stocks at Kansas City, Duluth and Minneapolis decreased 140,000 bushels. Clearances were all from New York, 196,000 bushels.

Corn, oats and rye all acted very weak at the beginning of the session, but finally improved when wheat became so extremely strong.

# DAILY MARKET LETTER

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FORT WORTH GRAIN AND COTTON EX.

April 13, 1932.

Liverpool wheat cables were again a great disappointment, and all their futures, May, July and October are selling at about the same as ours, or lower. Such a condition can only last as long as the Farm Board is willing to sell wheat abroad regardless of United States values. In other words, in order to export anything at all they have to give away all charges, and both inland freight from Chicago and ocean freight. This has been going on for some time now, but believe it will end as soon as the accumulated holdings in the East and at the Gulf ports are disposed of, and when that time comes, which no doubt will be the case sooner or later, we shall have to go on an export basis. If this is a correct assumption, the two markets are about 15¢ per bushel too close. There would be only one exception to this rule, and that is if we could assume that the United States would be on a domestic basis, but this is unthinkable because even with a combined crop of only 700,000,000 bushels for winter and spring wheat and 430,000,000 bushels carry-over, we shall have 1,130,000,000 bushels of wheat, and deducting our consumption of 650,000,000 bushels would leave 480,000,000 bushels on the first of July for export and carryover. It is true, we cannot guarantee that our c rop will be even 700,000,000 bushels, but there is nothing yet to indicate that it will be any less, and it is just as likely to be more. However, if there should be a disaster afterwards in the spring wheat crop, of course, we should have to change our views, but for the present we can only figure on the normal.

Therefore, before the opening today we suggested that a reaction was due, which afterwards materialized; this, in spite of the fact that we had no further rains, but very often in April showers come very unexpectedly, and it would not be a good speculation to assume that we shall not have some rains within the next week. If they would be heavy enough then we think the additional damage done would not be very material. It is not to be forgotten that April is usually a showery month.

Furthermore, at the present level of September wheat, about 65¢, with good carrying charges in sight, May wheat would have to advance above 75¢ before the bull could realize any profit; and considering the world's carry-overs this does not look like a bad price for the moment. In addition the bad commercial situation has to be considered, as well as the fact that wheat is selling at about 25¢ a bushel above corn, and 15¢ a bushel higher than rye.

Primary receipts of wheat continue to be light at 360,000 bushels, compared with 772,000 bushels last year. Wheat clearances amounted to 369,000 bushels against 55,000 bushels a year ago. Bradstreet's clearances show a good improvement, 6,800,000 bushels versus only 5,100,000 bushels last year, but the total is still 50,000,000 bushels smaller than last year, at 227,000,000 bushels, which is an extremely poor showing for 9 1/2 months from the United States and Canada on both wheat and flomr. Stocks at Kansas City, Duluth and Minneapolis show a decrease so far of 213,000 bushels, and it looks to us as if the visible supply for the coming week will not show as big a decrease as last week.

Corn,oats and rye still are neglected, and speculation in same is at a minimum.

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# DAILY MARKET LETTER

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KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

April 14, 1932

Liverpool wheat cables were reasonably strong at the opening and during the early part of the session but lost most of their advance later; and while our market has had a rise of about 7¢ a bushel since the government report was issued last Friday afternoon, Liverpool has gained only a couple of cents so far.

This is all being ignored at the present time, because crop prospects continue to appear unfavorable in the southwestern territory, which condition will exist until there is a complete change in the weather. Therefore, today's map was quite a disappointment. There were some hopes that Texas might receive some rain, which failed to marerialize; and there has been practically not a drop of precipitation where wanted during the last twenty-four hours and none predicted. The only ray of sunshine for those who wish to see an improvement in crop prospects came from our own weather man, whom we consider very reliable and who believes that the low barometer in certain sections indicates that by tomorrow the weather man may predict showers for Saturday. He expects no rain tomorrow and is only reasonably sure of what will happen afterward. Consequently we had a very strong market and all other factors were ignored or forgotten.

However, as the world situation will come to the front again sooner or later, we feel it our duty to call attention to it. With Liverpool remaining so utterly indifferent to North American prices and the futures in that market remaining at practically the same level as ours or lower, without taking freights and charges into consideration, it is well to consider what must be in their mind. To start with, they have before them Bradstreet's figures of this year's exports up to date from July 1st, 237,000,000 bushels from all North America. At this rate, if the average should remain about the same, say 6,000,000 bushels a week -- the exports for the next eleven weeks would bring the total up to about 300,000,000 bushels this year. Should the requirements be no heavier next year (and there are no signs at present that they will be) Canada alone could furnish this quantity without a bushel of wheat or a barrel of flour from the United States.

Then they look at the North American position. In all likelihood Canada will carry over on August 1st about 120,000,000 bushels, or about a year's consumption; so whatever Canada raises could be exported, and 400,000,000 bushels would not be a very large crop. Therefore, Canada alone could furnish all the European requirements from North America. Then the United States, assuming that the carry-over would be between 400 and 435,000,000 bushels, would have almost enough for eight months' consumption. Therefore, theoretically we would have to raise only enough for four months' consumption, and any surplus above that would be available for export and carry-over.

Hence, it becomes quite clear that even with the shortest crop imaginable North America will have plenty of wheat for export and more than enough for likely requirements.

Primary receipts of wheat improved somewhat, 416,000 bushels compared with 681,000 bushels last year. Canadian marketings were 218,000 bushels. Clearances were 184,000 bushels. Stocks at Kansas City, Duluth, and Minneapolis show a decrease so far of 428,000 bushels.

Corn, oats, and rye were all higher, but followed only reluctantly in sympathy with the sister cereal.

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KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

April 15, 1932.

Our market was largely influenced at the opening by extremely weak Liverpool cables. They seem quite extraordinary and cannot be ignored. Liverpool futures are only about 1 1/4¢ higher now than before our bull movement started after the Government report was published. Evidently they must feel so entirely sure of receiving their supplies at their own terms that nothing seems to alarm them.

Weather also played quite a factor in our fluctuations. There were no rains overnight, and not much precipitation is in sight, but there is a possibility, perhaps even a probability, that there will be more or less showers in Western Nebraska and Kansas, just where needed. Now, of course, a few showers alone would not relieve the situation, but as it is always uncertain what further rains might develop, it made the trade very nervous. In fact, at one time during the session when it was reported from Amarillo, Texas, that they were having good showers, a bull movement which had started ended immediately with a decline from the high point then of 1¢ a bushel. It had not rained more than five minutes when news came that it had stopped. This shows how difficult it is now to tell from day to day what will happen, and the best anybody can do, and even this is difficult, is to make a long time forecast.

We feel that unless a calamity should befall this country in the way of short crops, and something worse than we have ever seen before, we shall have to depend upon export business the coming year on account of our big carryover, and cannot ignore European requirements. Even now we are feeling very much the fact that exports are not larger. It is true, the clearances last year from North America were very light, also in April, but they were very heavy in May, when they amounted to 37,000,000 bushels from North America, and in June they amounted to 27,600,000 bushels, or about 7,500,000 bushels a week during the last nine weeks of the crop year. This was the period when the farm board had made a trade with a syndicate here for the marketing of 13,000,000 bushels of wheat, and therefore, the United STates shared very heavily in this export business. Should exports from now on be disappointing our statistical position will become still worse.

We are receiving quite a few inquiries as to how we arrived at the carryover of about 430,000,000 bushels on first of July for United States wheat. In coming to this conclusion, we took the Official government figures on farm reserves, country mill and elevator stocks and commercial visible supply including United States wheat in Canada on March 1st, and found that at that time the official figures gave us in these different positions 69,000,000 bushels more than last year.¶ There was one item missing; namely, stocks in big mills. Inasmuch as last year May wheat sold from 15 to 20¢ a bushel higher than July wheat, there was no incentive for any mill to carry any wheat over into the next crop, but this year the quality of the wheat, particularly in the Southwest, is so wonderful, (and old wheat is always worth so much more to the miller than new wheat) that there can be no question that the stocks this year are very much larger among the mills, and an estimate of 30,000,000 bushels or so larger than in 1931, would certainly not be extravagant. Therefore, we feel there is in sight about 100,000,000 bushels more than at the same period last year; these figures also co-incide with our own tabulation of production, consumption, etc.

Primary receipts were much higher than lately, being 577,000 bushels compared with 688,000 bushels last year; evidently caused by the advance in prices, farmers being more inclined to sell. Stocks at Kansas City, Duluth and Minneapolis show a decrease of 464,000 bushels. Clearances amounted to 216,000 bushels today. Canadian marketings still quite fair at 195,000 bushels.

Corn, oats and rye all declined in sympathy with wheat, and showed no independent action.

UHLMANN GRAIN CO

# DAILY MARKET LETTER

MEMBERS:
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CHICAGO

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

April 16, 1932.

Liverpool wheat cables were reasonably strong this morning, and the weather map was not very decisive. There were no rains in the real dry belt of the Southwest; however, there were some good showers, about 3/8 of an inch, at Wichita and central Kansas , and there was fair moisture in Missouri. Weather students predicted generally a more showery condition, but yet no real soaking rains, which would relieve the situation altogether.

The fact that the news during the week had not caused a sharper upturn impressed the speculator very much. In ordinary times, with the winter wheat crop going back as it had, wheat prices would have advanced from 10 to 20¢ a bushel, but at the close tonight the price is only about 3¢ a bushel higher than the close of the day following the very bullish Government report. The reason, of course, is no secret and is very plain. The inherent wheat situation is about as bad as it had been at any time from the demand and supply standpoint. World shipments probably will again be 15,000,000 bushels, with only very moderate contributions from North America, and new business continues to be light. Our markets and foreign markets are entirely out of line, with the exception of whatever the farm board wishes to sell, regardless of domestic values here. Our competitors, Argentina and Canada, are under-selling us, and in two months we shall hear the first rumblings of the new crop, and whether they are moderate or small there is always a large percentage sold the first two months of the crop, but with the immense carryover the demand probably will not be very brisk.

The bulls in their argument talk about inflation, but we, ourselves, cannot see how any inflation would help the price of wheat as long as we have to export it, unless we should go back to a situation something like the Greenbacks, which no serious mind can believe. Under the circumstance, we believe that bad crop news will be needed right along to maintain values. The long-time weather predictions are again rather indefinite; showers are probably likely in the early part of the week in the Southwest wheat belt, with fair weather afterwards, and it remains to be seen just how much the showers will amount to.

We are inclined to think that the Red Cross is distributing more wheat for animal food than was anticipated; applications have been made so far from 15 different states, amounting to 7,500,000 bushels of wheat. Consequently, we think that the carryover on July 1st will probably be reduced to that extent, and may not be more than 415,000,000 bushels of wheat.

Stocks at Kansas City, Duluth and Minneapolis showed a decrease for the week of 611,000 bushels. This makes us believe that the decrease in the visible supply on Monday will be larger than last year when it was about 1,800,000 bushels, but smaller than last week. Clearances were 410,000 bushels. Canadian marketings were heavier again, at 272,000 bushels. Primary receipts showed considerable improvement, and are now very close to what they were last year- being 679,000 bushels compared with 753,000bushels a year ago.

Coarse grains remainted neglected, and all closed lower in sympathy with wheat.

UHLMANN GRAIN CO.

# DAILY MARKET LETTER

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MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

April 18, 1932.

Before our session opened today Liverpool wheat cables were quite strong, but there were more indications of a wet weather map. Strange as it may seem, altho Liverpool is way out of line for any export business, more attention was paid to the strength abroad than to the probability of a change in the weather and a consequent improvement in crop prospects.

Liverpool was immediately informed of the probability of this change in weather conditions in this country, and their strength gave way, they paying more attention to this item than we did. In the meantime, indications became very plain of a large decrease in the visible supply, and for a while our market held its opening price, even advanced above that, and above Saturday's close. However, toward the latter part of the session liquidation set in, longs fearing good precipitation overnight, and our market declined. Of course, the future weather is always very uncertain, but the official prediction is for probable showers in Nebraska tonight and Tuesday, and some over Kansas; and tomorrow's market will depend largely upon the quantity of precipitation which will visit the dry winter wheat belt.

May wheat was comparatively stronger than July today, which we consider to be very largely an accident. It seems the Farm Board, which furnished most of the May wheat of late has not been as free a seller and possibly they have liquidated all their May wheat, but the open interest is still amost 40,000,000 bushels in May wheat, and as there is no actual demand for the cash wheat we think most of it will either be sold or changed over into July, and again bring a much wider difference.

The visible supply shows a very large decrease- 6,131,000 bushels and the total is now almost 12,000,000 bushels smaller than last year. We think the Red Cross shipped a great deal of wheat last week, which accounts partly for the big decrease, and this is not likely to be repeated this week. Primary receipts of wheat are bigger, 1,000,000 bushels, compared with 1,200,000 bushels a year ago. Canadian marketings were 281,000 bushels, and clearances were 488,000 bushels.

We estimate that Canada so far has shipped 2,000,000 bushels more wheat than farmers are supposed to have on hand at the present time had the government figures been correct. We conclude, therefore, that the Canadian crop was about 20,000,000 bushels larger than estimated; perhaps 25,000,000 bushels, because even at the end of the crop year there will probably be some wheat left in farmers' hands.

Corn acted independently weak during the whole session; rye and oats also showed no strength whatsoever.

UHLMANN GRAIN CO.

# DAILY MARKET LETTER

MEMBERS:
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DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

April 19, 1932

Liverpool wheat cables were reasonably strong before our session opened, but as soon as they learned of the good rains in our western belt they broke sharply, showing a moderate decline at the close compared with their previous session. It seems that Europe was very much concerned about the crop prospects in our winter wheat belt, and are largely influenced by the reports which they are receiving from here. To our great surprise less attention was paid to the best precipitation we have had in over a month, and more notice was taken of crop reports which were issued before the rainfall. There was one estimate on the probable outcome of the winter wheat crop of 18,600,000 bushels less than the Government made it, or 440,000,000 bushels. We, ourselves, believe that these rains might easily improve the outlook from one to two bushels per acre, on 33 or 34,000,000 acres, and that with normal weather from now on we might still raise 500,000,000 bushels of wheat. With a normal spring wheat crop of 240,000,000 bushels, this would give us 740,000,000 bushels, or 90,000,000 bushels above home consumption; and we certainly think it is likely that this coming year with the cheap prices for coarse grains there will not be more than the normal amount of wheat fed. From now on at least for some time, we expect that crop reports will come more favorable, while the opposite had been the case since the first of the month, and therefore, we shall depend more largely again upon a better demand if we wish to sustain values.

From all we can gather the milling demand lately has not been very good for domestic purposes; there is a better demand for exports for Canadian wheat, and a reasonable amount of business is taking place in their varieties every day.

In the stock market some of the leading securities again made new low records, which shows that buriness conditions generally are not improving, and as long as this is the case speculative buying will be at a low ebb, and another obstacle against higher prices. Under these circumstances, we believe that prices will continue to sag until some new incentive brings in fresh buying power.

United States Wheat stocks in Canada are decreasing very slowly- only about 250,000 bushels for the week; and are now over 27,000,000 bushels, compared with 5,500,000 bushels last year. Figuring these stocks and ours together we have almost 10,000,000 bushels more wheat than a year ago in the visible supply, and with considerable more wheat in farmers' hands and in mill hands, stocks are still very burdensome.

Broomhall divides last week's exports as follows: United States 3,679,000 bushels and Canada 3,620,000 bushels, or a total of 7,299,000 bushels. The clearances are probably the largest from the United States in more than six months, and exceedingly light fromCanada. This does not mean to us that there is a better demand for American wheat than heretofore, but it does indicate a greater desire on part of the farm board to rid itself of its heavy load, and willing to make greater sacrifices

Primary receipts for the first time in a long while were larger than last year at 681,000 bushels, compared with 618,000 bushels in 1931. Canadian marketings keep up, and amounted today to 224,000 bushels. Clearances amounted to 200,000 bushels. Stocks at Kansas City, Duluth and Minneapolis show a net decrease of only 2,000 bushels.

Even when wheat was the firmest corn was weaker, and nobody seems to want it. Rye and oats also remained neglected.

UHLMANN GRAIN CO.

# DAILY MARKET LETTER

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KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

April 20, 1932.

Liverpool wheat cables were quite strong before our session opened, but whatever advance had taken place was lost before their close.

Weather conditions overnight, as well as further predictions, were still favorable, and unless all guesses by those who study the weather map are wrong, there will be more moisture within twenty-four or forty-eight hours in the dry districts of the Western wheat belt. Furthermore, there will probably be rains in Canada and our Northwest. Anyhow, for the next few weeks the fear of extreme drought and a possible calamity has been averted. In fact, some report already an improvement in crop prospects, and we firmly believe that our next Government report will raise its figures. It also has to be taken into consideration that those who collect the information for the government report are only human, and unless they are men of great vision, it is difficult for them to visualize how the wheat will look in May or June when it will be harvested, when at the time of the report it is very dry, and when they have in mind what would happen if it would never rain again.

Our Mr. Richard Uhlmann returned today from a European trip, and after having met the most important people in the grain trade, he is very much impressed with the fact that on account of the high tariffs on the Continent there is no inducement to reduce wheat acreages; on the contrary all nations with heavy population are trying to become self-sustaining, so that the prospect of heavy importations for France, Italy and Germany will become poorer and poorer as time goes on, providing they have normal crops. England, of course, which takes 40% of all the wheat which Europe requires, will always be a good buyer, but should Canada have a large crop her wheat will be given the preference, and the outlook for export business from the United States the coming season under normal conditions is only fair. Therefore, any reasonable surplus which we raise this year for export in addition to our carryover will become very burdensome.

There is a tendency amongst local speculators here to play the bull side, feeling that the spring wheat crop will have to go thru all its troubles yet, but in the meantime the demand both for domestic and export remains so poor that, in our opinion, it will be uphill work.

The difference between May and July wheat widened today, there being continued liquidation, and we believe this will last thru all of this month.

Primary receipts of wheat were 608,000 bushels, and again a little larger than last year, showing that the farmer feels a little more hopeful in the southwest. Canadian marketings were enormous for the time of the year and the size of the crop- 363,000 bushels. Stocks at Kansas City, Duluth and Minneapolis show a small decrease-only 25,000 bushels. Clearances amounted to 358,000 bushels of wheat, of which 299,000 bushels were shipped from Galveston.

Corn reached new low levels today. We have hardly ever seen such a poor consumptive or speculative demand for this article.

Rye and oats remained neglected but fluctuations were comparatively small.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

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FORT WORTH GRAIN AND COTTON EX.

April 21, 1932.

iverpool wheat cables were not quite as weak as we were yesterday, ut inasmuch as their futures are only a trifle higher than ours, he fractional advances or declines should cut no figure. Toward heir close they again showed some weakness.

here was no further important precipitation overnight in the Southwestern wheat belt, but more showers are predicted, and they are ikely to materialize. However, except at the opening, wheat news oday was not a factor in the market, but news from Washington was he great influence.

t was reported first, from very good authority, that a meeting will e held in Washington sometime next week, after Mr. Milnor's return, and if his report is favorable as to the outlook of selling heat to foreign governments on credit, then the Reconstruction inance Corporation will be instructed to finance such sales up to 100,000,000. on wheat and cotton. We believe this will pass. It ad a temporary strengthening effect today, but whether it will be asting or not is doubtful. Should the wheat be sold on credit to ountries which would buy it anyhow for cash, it will not change he situation; should it be sold to countries which otherwise ould not buy, (and we only have one such country in mind, possibly hina, if the wheat be sold unreasonably low) it might put a little ore wheat into consumption. Anyhow, we figure that by July 1st he FarmBoard will have only about 80,000,000 bushels of actual nsold wheat on hand and 25,000,000 bushels of futures, so whatever s done would not be of the same importance as it would have been ometime ago, or last year.

hen a further report had a stimulating effect, that the Goldsborough ill was favorably reported on by the House Banking and Currency ommittee. This bill favors the restoring of commodity values to revious prices, but how to do it is the great question. Naturally verybody wants it, but if the remedies used will do more harm than ood, then of course it should not take place. We, ourselves,find t pretty difficult to figure how by raising our prices we can sell ore wheat for export, and without doing same do not see how the resent level can be raised.

he President of the Bank of France, when he submitted his annual eport justifying the French policy, made the following statement: 'The Ministry of Finance and the National Bank are convinced now, s they were last spring, that just as technical reasons are not dequate to explain the world's troubles neither are technical easures adequate to heal them. They appear to believe that the ried remedies are not only the best, but the only sure ones and hat these consist of reducing production to the level of purchasing ower, - a process which apparently they are not quite sure has yet een completed." We agree with them fully in this theory, Anything hat will be undertaken now to lift prices without reducing production will end in a dismal failure, same as the Farm Board's purchases did.

oward the close there was a reaction from the high point, and the arket altogether made a very poor showing considering the Washington ews. It shows that wheat itself is in a bad position and should e have rain tomorrow it will be the determining factor, and we elieve it will bring about lower prices.

rimary receipts of wheat were quite fair- 809,000 bushels today, ompared with 925,000 bushels last year. Canadian marketings are eeping up at 227,000 bushels. Stocks at Kansas City, Duluth and inneapolis show a net increase of 31,000 bushels. Clearances were eavy at 495,000 bushels.

orn was considerably strong today. Rye and oats continued to be eglected.

The stock market was quite firm and if it should continue to advance it would have a sentimentally good effect on all grains.

UHLMANN GRAIN CO.

# DAILY MARKET LETTER

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MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
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DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

April 22, 1932.

Liverpool wheat cables were construed as weak today, altho their actual prices were higher than the previous day's close. However, sterling exchange had declined about 3 or 4 points, making a difference of 1/2¢ per bushel.

There were no rains overnight to speak of in the Southwestern wheat belt, but the outlook is for very good precipitation all over, including Canada and our Northwest. In the meantime, parts of Canada, particularly the Province of Alberta, have received quite heavy moisture, and it looks to us as if the outlook for Canada would be for a very much larger crop than in 1931 unless weather should be subnormal there from now on.

Weather was the biggest influence today, and all the political news which came from Washington yesterday was forgotten.

The fact that both sterling and Canadian exchanges are declining in comparison with our dollar shows that foreigners are not much alarmed at the supposed inflation policy, which is advocated so much at the present time. It was also quite unfortunate that the advance in stocks which had taken place yesterday did not continue; in fact, prices declined again, some reaching new low levels. As long as all these surroundings are so bad it will be difficult to find new speculative buyers for wheat.

The tendency was downward almost from the beginning, and at the close the market showed quite a considerable loss compared with yesterday, with poor prospects of improvement should rains which are anticipated materialize.

There is very little mention made at the present time about European crop prospects, from which we infer that they must be normal. A number of countries report larger acreages, so there is very little encouragement from that quarter at present. It is generally believed that France, which has increased her wheat acreage, has a better than average outlook, with the possibility that she will be almost independent for importations this year, particularly with her prospective colonial importations, which always come to the mother land.

The Canadian crop must have been considerably under-estimated, and her exports for the first 37 weeks, starting from August 1st, were extremely disappointing, averaging only 3,830,000 bushels weekly. Based on Government figures, and assuming her shipments would average from now on 4,000,000 bushels per week, her carryover on August 1st would be 122,000,000 bushels. However, we believe that the final crop figures will be raised about 20,000,000 bushels, so that Canada will have as much wheat on the first of August as she had last year, which was the biggest carryover on record- 141,750,000 bushels. This is considerably more than one year's home consumption; in fact, almost 15 months supply. Should Canada raise an average crop of 400 to 450,000,000 bushels, Canada would likely become a more severe competitor than ever before.

Canadian marketings were still very fair at 210,000 bushels. Clearances 229,000 bushels. Primary receipts were very close to last year's - 620,000 bushels compared with 663,000 bushels in 1931. Stocks at Kansas City, Duluth and Minneapolis show a decrease of only 89,000 bushels, thus indicating a smaller decrease in the visible supply than last week.

Corn, oats and rye all sympathised with wheat and closed somewhat lower.

UHLMANN GRAIN CO.

# DAILY MARKET LETTER

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KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

April 23, 1932.

Liverpool wheat cables were a trifle lower than due, but no attention was paid to same, the chief influence again having been the weather. There was very good precipitation everywhere in the western wheat belt, there were rains in the Southwest, Northwest, as well as Canada, and more are predicted during the next forty-eight hours; so the drought should be greatly relieved and the spring wheat territory is now getting a good start.

We have repeatedly pointed out that the final world's wheat prices will depend very largely upon the outcome of the Canadian crop in the Western Provinces. Last year the Government estimated it at only 284,000,000 bushels, altho we think it was over 300,000,000 bushels, but with the present large acreage a crop of 450,000,000 bushels is not only a possibility but rather a probability, assuming that normal weather should prevail from now on.

Under these circumstances the bull will have much to contend with. There are large acreages in Europe with a high protective tariff, there is a big carryover in Canada, probably as large as last year, one in North America considerably larger, a bad commercial situation and speculation at a low ebb; there is nothing to offset all this except that the winter wheat acreage had been reduced and their crop prospects are less than normal, but this, of course, can easily be made up in other territories. Then again some wheat is being bought by speculators on the theory that the price itself is low, but next Monday we shall start trading in December wheat, and after all a price of 65¢ for December wheat may not be so very low considering that May wheat sold for less than 50¢ in this crop year.

Considering the news today the market made a very good showing, and this we think was largely due to operations against privileges, as the long-time privileges had been sold from 59¢ downward on July wheat.

Primary receipts were somewhat lighter- 656,000 bushels compared with 813,000 bushels last year. Wheat clearances were very heavy- amounting to 600,000 bushels, and we therefore assume that the Eastern ports will show quite a large decrease in the visible supply. However, stocks at Kansas City, Duluth and Minneapolis so far show an increase of 5,000 bushels. The total visible supply will not show as much decrease as it did last week, in our opinion.

Corn was about steady, altho cash premiums firmed up a little.

Rye was considerably lower, there seems to be no cash or speculative demand.

Oats remained neglected.

UHLMANN GRAIN CO.

# DAILY MARKET LETTER

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MEMBERS:
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DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

April 25, 1932.

Weather over the week-end was mostly favorable, and further moisture was received in many sections. There are parts of the Southwest still complaining that the precipitation had been inadequate, and we are not unaware of the fact that there must be several spots in western Kansas that are poor now, and in fact, had been poor since last October. However, general estimates in the Southwest are still for 125,000,000 bushels or above for Kansas, with some improvement noted in Nebraska, so that we can see no great reason for alarm. The fact remains thatsome reports had been compiled before the recent rains, making a rather discouraging picture and this is being brought to the attention of the trade right now; in some cases rather sensationally, and we believe had their effect today in bringing about higher quotations.

As far as Liverpool is concerned, that market does not show any great strength; their advance was almost offset by the decline in sterling, and May wheat abroad is not more than about 1¢ premium over Chicago, which of course is an unhealthy situation, and little export business can result until a better readjustment is brought about.

We would like to call the trade's attention to the fact that July wheat here is just about the same price as it was a year ago, while values in Liverpool are about 5¢ lower, so to that extent further corrective measures are still in prospect.

The visible supply today decreased 3,672,000 bushels, and total supplies now are still 182,000,000 bushels, altho 14,000,000 bushels smaller than last year. It is also interesting to note that Canadian farmers have shipped 4,000,000 bushels more from the country than was supposed to have been raised, according to the last official report.

We also think it is important that the Argentine surplus remaining for export is still placed around 74,000,000 bushels.

Canadian marketings today were 243,000 bushels, and at this rate there must be quite a fair amount of wheat still left back in the country. Wheat clearances from all coasts today were 505,000 bushels. Primary receipts today were rather small at 704,000 bushels against 1,237,000 bushels a year ago.

In the early dealings the wheat market was influenced by liquidation of May futures in corn, oats and rye, but a recovery came about thru damage reports in wheat which led the leading cereal to a higher close, and wiped out most of the early losses in other grains.

UHLMANN GRAIN CO.

# DAILY MARKET LETTER

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DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

April 26, 1932.

Liverpool wheat cables were weak considering the lower quotations for sterling exchange, and their May wheat now is hardly at a premium any more over Chicago. This news, together with some more precipitation in the Southwest, had very little influence, as numerous reports were circulated about lower temperatures over the winter wheat belt, and no doubt short covering came about thru fear that damage might take place with freezing weather. We, ourselves, are not much alarmed about this, as wheat is not yet in bloom, and experience in other years has taught us that it is too early to get excited on this point. Of course, the very western section of both Kansas and Nebraska are already very poor, and no doubt many sensational reports will continue to come from those sections; but we like to bear in mind that the rains must have done an immense amount of good, and that one of these days the improvement will also be noted.

The milling demand remains poor, and the chances are that most of the elevators will be filled when the new crop commences to move, so that without any export outlet or heavy demand from the Northwest, even a small crop will appear large, and act as a bearish influence upon the market.

The Government today gave figures on March exports, which are 8,537,000 bushels, and which is considerably more than last year when in the same month we shipped 4,575,000 bushels. The total so far this season is 106,000,000 bushels versus 102,000,000 bushels in 1931. Should we make a guess on the net exports, deducting the amount which came into this country and also what we sent to Canada and which has not yet been shipped from there, we doubt if more than 85,000,000 would comprise the net amount.

The Farm Board also gave as its total holdings of cash wheat 106,000,000 bushels, and it is assumed that they possibly own 20,000,000 bushels of futures, but Mr. Stone claims that there will be no deviation from the present policy of selling, and they will only continue reducing stocks at the rate of 5,000,000 bushels per month.

Primary receipts today were only 414,000 bushels against 772,000 bushels last year. Wheat clearances from all coasts were only 44,000 bushels, and last year nothing. Total stocks at Kansas City, Duluth and Minneapolis show a total decrease so far of 188,000 bushels, and we do not think that the visible supply next Monday will show as large a shrinkage of stocks as has taken place in the past two weeks.

We continue to feel that carrying charges will widen, and this will act as a deterrent in speculative bullish operations.

Corn and other cereals acted weak, and even when wheat showed a spurt of strength they followed but reluctantly. Rye seems to be liquidating moderately, but unless Germany actually buys, it will be difficult to get much of a bullish move in this cereal.

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FORT WORTH GRAIN AND COTTON EX.

April 27, 1932.

Liverpool wheat quotations this morning were without particular color, and as sterling exchange strengthened slightly wheat prices also showed a fractional decline.

The frost which had been forecast for Southwestern territories was unimportant, and therefore the thinking man must realize that at this time of the year there can be no real damage from this source. As a matter of fact, the weather was favorable, and reports generally which have been coming to us from the Southwestern territories indicate in most cases an improvement. In scattered sections it is even very marked. We had numerous telegrams from Kansas where rain was still falling, and from other sections calling attention to the betterment, which was quite encouraging. Mr. Perry Burrus sent us a wire fromDallas giving the rainfall at about a dozen stations in Texas, and the moisture ranged from 1/4 of an inch to 1 1/2 inches at Littlefield, which of course is bound to do immeasurable good.

We received before the opening advices from a friend in Paris, who told us that the French crops were doing nicely, prospects were favorable, and he looked for very much lower prices. There has already been a drop of about 4¢ in that market during the last week, and it might be that there will be an exportable surplus this year, including Colonial Crops, just as there was three years ago. In fact, from 1891 to 1914 France was an importer of foreign wheat only during three years, and with the high prices still prevailing, on account of tariff, both that country and Germany might prove quite a revelation to exporting countries during the next crop year.

At times buying was inspired by a better tone in the stock market, with reports that the investigations at Washington would be indifinitely postponed. However, enough May wheat was put into the pit to relieve the situation of hedgers who wanted to change over to a more distant position, and we think the carrying charges, which have developed and seem to be on the increase, will continue to act as a depressing influence.

The fact that Liverpool and Winnipeg show such comparative weakness relfects the actual bearish situation.

Primary receipts are very light at only 328,000 bushels, against 670,000 bushels last year. Wheat clearances were also fairly heavy- 399,000 bushels, and last year 160,000 bushels. Bradstreet's exports for this week are 6,936,000 bushels- about the same as last week and compare with 4,079,000 bushels a year ago. The total this year is 241,000,000 bushels to date, against 285,000,000 bushels in 1931. We also mention the fact that Kansas City, Duluth and Minneapolis stocks thus far show a net decrease of 135,000 bushels.

Corn, oats and rye did not do very much today. The yellow cereal was in somewhat better demand, and elevators presumably were changing over some hedges from May to July at 3 1/4¢ difference.

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FORT WORTH GRAIN AND COTTON EX.

April 28, 1932.

Liverpool came extremely weak this morning, and at the start May wheat abroad was selling at a lesser price than in Chicago.

The writer has pointed out ever since his European trip that conditions in those countries where tariffs have been high has had the effect of expanding acreages to the point where some time, either now or in the future, they will be practically independent of exporting nations for their wheat supplies. The Liverpool market is apparently the first to appreciate the new order of things. It has been our contention right along that the Chicago market must go to a discount of at least 10 or 15¢ under Liverpool before any normal business can be effected in commercial quantities.

On top of this came reports of rains, and the finest moisture that the Southwest had had in many months. According to Mr. Burrus, there had been many places in the Panhandle of Texas which again received from 1 to 3 inches of rain; in Kansas, almost universally, there were telegrams stating that on an average one inch of moisture had fallen, and this naturally will make the outlook for the crop much better, so when the next Government report is issued it may look entirely different than the last one, or what might have been expected had the situation not been relieved.

Searle's Canadian report was also optimistic, and while the plant is a little late in being sown, moisture conditions are fine, and in our opinion, there is a likelihood now of a normal crop up there, which would be 450,000,000 bushels, or 50% more wheat than was raised in 1931.

We still think that as we are approaching the new crop now something will have to be done to rid us of our burdensome supplies; elevators are practically all filled, and even a moderate crop will weigh very heavily upon the market.

It became apparent as the session continued that the market was bare of any large short interest. The news of the past week had driven in most of the shorts, and new buyers were scarce, as so many people who had felt bullishly inclined were already committed to the long side.

It is our belief that almost any foreign market, where prices are normal, like Rotterdam, Hamburg or Liverpool, can be bought against sales of Chicago, and that finally America will have to drift alowly to world's level.

Primary receipts today were 476,000 bushels against 789,000 bushels last year. There were no clearances from any of the coasts, against 80,000 bushels in 1931. So far stocks at Kansas City, Duluth and Minneapolis show a net decrease of 213,000 bushels. Canadian marketings were small at 156,000 bushels, but that country has already sent more out from farms than the Government claimed was raised for surplus.

Corn established records for many years, probably the lowest of the century, and with further offerings from the country it was not so much a question of price but of finding buyers, who were scarce.

Rye and oats also sympathised in the general decline with May liquidation continuing.

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FORT WORTH GRAIN AND COTTON EX.

April 29, 1932.

Liverpool was fully as weak as had been expected, and with a lower sterling exchange rate their May wheat is only about 1¢ per bushel higher than Chicago. In spite of this, it was claimed that a better export demand was in evidence, with about 750,000 bushels reported- mainly Manitoba wheat.

News also claimed that the German import duty would be relaxed, and this would be effective until about June 20th, making the tariff about 28% cheaper than at the present time. Traders construed this as moderately bullish, thinking that Germany might require more grain until the next harvest arrived. Considering, however, the moderate quantities taken so far we do not take this as much of a market factor.

The weather in practically all sections remains good, with more moisture reported in several places, but many authorities, like The Modern Miller, told of sections that had not been benefited much by the recent rains, as the crop was too far gone. If this is the case, then the private estimates will not show much change since the last Government Report, but we presume that as it is still quite early in the season there will be much guessing until the plant is further along.

It seems difficult to inspire much bullish confidence in anything just now. Stocks were again very disappointing, cotton also was under heavy pressure, and at one time corn sold down to almost 29¢, which has not happened before at any time during the present century. May oats also sold under 21¢, or at the lowest price since 1897. In our opinion, the wheat market will be in a bearish position until some of the present factors are corrected. It was hoped that Canada would sow a smaller acreage, but this does not seem to be in sight; should a normal crop be harvested up there it will not bring much relief to the already overburdened stocks that are being carried.

Primary receipts today were very light- being 437,000 bushels against 1,182,000 bushels a year ago. Kansas City, Duluth and Minneapolis stocks also show a total decrease so far this week of 464,000 bushels. Wheat clearances were 622,000 bushels against none last year. Canadian marketings were 220,000 bushels. As mentioned before, general selling of all grains was instrumental in bringing about initial losses in corn, oats and rye.

Speculation at the moment seems unable to bring about much more than feeble rallies- some day this may change.

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FORT WORTH GRAIN AND COTTON EX.

April 30, 1932.

Liverpool wheat cables were about as expected with sterling exchange also unchanged; therefore, the foreign news had very little color.

The information yesterday about reduction in German import tariff was a little more enlightening this morning, when reports claimed that about 3,700,000 bushels might be imported into Germany within the next two months under the lower tariff revision. However, this was not considered nearly as bullish as had first been expected yesterday, so that with a lower stock market again and more liquidation coming into the corn and rye markets, making new records, the bulls in wheat did not feel very confident. Later on hedgers seemed content to change over their commitments from the nearby option to July at around 3¢ difference, and this had the effect of strengthening values.

There seems to be no doubt now but that the recent rains have done a great deal of good; in fact, so beneficial that one of the crop experts now claims a winter wheat prospect of 481,000,000 bushels compared to 458,000,000 bushels which the Government gave on April 1st. Our own reports also show that many of the districts which had almost given up hope are now beginning to come back to life; and with a continuation of present weather we would not be surprised to finally see a winter wheat crop of close to 500,000,000 bushels. This, of course, with the heavy carryover and good prospects in spring wheat on both sides of the border, will keep markets from having much more than temporary bulges.

Primary receipts today were 516,000 bushels against 1,048,000 bushels last year. Stocks at Kansas City, Minneapolis and Duluth show a total decrease of 453,000 bushels, and we look for a normal decrease in the visible supply on Monday. Clearances totaled 344,000 bushels against 128,000 bushels a year ago.

Heavy liquidation in corn not only carried the May delivery down to almost unheard of levels, but sent it to about 4¢ under July, which of course is considerably more than the full carrying charge. Toward the last better support came into the July future, and many people feel that at the present level it hardly pays the farmer to sell his grain; also the fact that prices are the lowest since 1898 is beginning to cause comment, altho buyers have not regained their confidence because of losses in prices sustained already.

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FORT WORTH GRAIN AND COTTON EX.

May 2, 1932.

Before our market opened Liverpool quotations had been quite weak, with May wheat abroad just about 1¢ over Chicago. Later on, however, the foreign market strengthened, and according to Broomhall, this was due to an estimate, presumably given out by Mr. Murray, on winter wheat. The trade will not be given the private estimate until tomorrow; some are of the opinion that in spite of rains there may not be much more winter wheat in prospect than the Government estimated last month. We are always cognizant of the ability of our estimating authorities, but we also appreciate how difficult it really is to try to guess at this early stage what the final yields will be. We have even seen how experts after counting the farm reserves differed with the Government figures to the extent of about 40,000,000 bushels. In making our own calculations we must take into consideration the fact that the weather during the past ten days has been perfect; in Kansas, for instance, it was cool and showery and some moisture almost continually after the rains of four or five days ago. To show further how crops have been underestimated we point out that Canada has already shipped, including the amount left on farms for seed, etc., about 5,000,000 bushels more than the Government claimed was raised. At the present time Canadian weather is almost ideal; people up there claim that the farmers are working at top speed, and a splendid seed bed is afforded for this work.

We still believe that Liverpool is one of the cheapest markets, altho Rotterdam is practically in the same class; here are opportunitites for making purchases against sales in Chicago, which in our opinion should not be overlooked.

The visible supply today decreased 4,645,000 bushels to a total of 177,681,000 bushels, and is now 18,000,000 bushels less than last year. Primary receipts were rather small at 797,000 bushels against 1,932,000 bushels in 1931. Canadian marketings were 266,000 bushels, and deliveries in Winnipeg were very large being over 4,000,000 bushels. Wheat clearances from all ports were 108,000 bushels against nothing last year. In our own market deliveries of wheat were fairly good, but it was assumed that one party took most of this on delivery, and when hedgers tried to change to distant months there was a narrowing between May and July wheat.

Our advices from the other side are favorable, claiming that Northern Europe is enjoying early warm weather after much moisture, and crop prospects are excellent.

We continue to feel that declining markets will be witnessed.

Corn was under less pressure than during most of last week. There also was a narrowing tendency between May and July, carriers feeling that at 3 3/4¢ more than the usual carrying charge prevailed.

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FORT WORTH GRAIN AND COTTON EX.

MAY 3, 1932.

Liverpool was not at all strong this morning; they started trading in December wheat in that market, which at one time was practically the same price as the same delivery here in Chicago.

Here lately too much attention has been paid to crop experts and not enough to the exporter, and as everybody knows that the winter wheat crop at best will not be a large one, we cannot see what difference it makes whether it is 20,000,000 bushels larger or smaller, as long as nothing of consequence is leaving the country. After all experts had spoken and averages were compiled there appeared to be as much wheat in prospect as the Government estimated in its April report.

Rains will probably occur in many sections again tonight, and during the next forty-eight hours it is even thought that the Western parts of Kansas and Nebraska will be favored, so there is no lloyd policy yet that the crop will be as small as they now claim.

While little mention is being made, we call attantion to the commercial grain stocks in store at principal United States markets- which are 186,572,000 bushels, and if there is added to this the United States wheat in Canada of 26,872,000 bushels, there is a total of 213,444,000 bushels all told, which is 1,000,000 bushels more than a year ago. When it is also considered that in the split-up of this week's exports the United States shipped only 2,172,000 bushels and Canada 5,454,000 bushels, it will not require a mathematician to conclude that we are not getting our share of the business in spite of the fact that the FarmBoard is selling supplies below the price others could afford to take.

With the present stock market and values sinking lower almost every day, it is difficult to find new purchasers for the liquidated commitments.

During the last two weeks, one of our freight brokers tells us, only seven fixtures were taken and no improvement noted in any of the rates. What we need more than anything is to come down to a Liverpool and world basis and let wheat go into consumption, which finally will be the best corrective measure.

Primary receipts were 371,000 bushels today, against 840,000 bushels last year. Stocks at Duluth, Minneapolis and Kansas City show a total decrease thus far of 209,000 bushels. Canadian marketings are somewhat smaller, at 152,000 bushels; we continue to believe that the Winnipeg market offers opportunities relative to Chicago by way of purchases in Canada. Wheat clearances were 628,000 bushels compared with 112,000 bushels last year.

Corn values went into new low ground today; lack of support was the chief issue, and it is not easy to find buyers, whichprobably accounts for the low level of values prevailing.

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# DAILY MARKET LETTER

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FORT WORTH GRAIN AND COTTON EX.

May 4, 1932.

Liverpool wheat cables were quite strong this morning, and the sterling rate also a point higher, which put the July delivery there at about a 3¢premium over Chicago. We still feel that the foreign markets are ridiculously low, and that we must continue to lose on them or else they must gain on us to further business on any sizable scale.

It is reported that Russia was in the market for a few cargoes of Canadian and Australian wheat, but our London people mentioned the fact that one cargo was destined for Vladivostok, which extends almost to the Orient. However, we cannot get excited about this business coming so late in the season, because under ordinary conditions they will be ready for another crop within a few months.

Overnight weather was not much of a factor; rains are still desired in the Western portions of Kansas and Nebraska, but even with most favorable conditions good crops are not probable in those sections.

Possibly due to local buying and the Russian news, fair recoveries were registered from the low quotations, in spite of the extreme weakness in stocks. Our own opinion is that wheat is selling at a fairly good price considering the carrying charge if one makes comparisons with the tremendous losses that have occurred elsewhere. Stocks, bonds, real estate, etc. have declined during the past year to the extent that makes the average person shudder. Land in some localities is practically unsalable and some of the speculative leaders are selling at one-half, one-third or one-fourth of what they were a year ago. So about 60¢ now for wheat, adding a 10¢ carrying charge, looks almost comparatively high, whereas a year ago it looked terribly depressed.

We do not see any urgent speculative buying nor any large export business in sufficient volume to reduce the large prospective carryover, which, combined with next year's crops is bound to prove a weight on the market. Of course, if we could suddenly export 100,000,000 bushels things would be changed, but we see no miracle like this in sight.

Primary receipts of wheat were rather small again, 373,000 bushels against 811,000 bushels last year. Wheat clearances were 254,000 bushels compared with 72,000 bushels in 1931. Canadian marketings were about in line with what they have been recently, namely, 140,000 bushels. So far stocks at Kansas City, Duluth and Minneapolis show a total decrease of 307,000 bushels.

Corn was weak early, but rallied somewhat. Cash corn was reported in better demand, and the difference between May and July narrowed considerably.

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# DAILY MARKET LETTER

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FORT WORTH GRAIN AND COTTON EX.

May 5, 1932.

Liverpool wheat cables were quite weak today, and the news of Russian business had practically spent its force, and probably nothing more will be done for some time, if at all. This being the case, July wheat abroad is only a few cents over Chicago now, and the situation is in no way corrected. On the other hand, there has been a break in our market from the middle of last month until at one time today of over 10¢ per bushel. Many operators had been of the belief that stocks and grain were due for a technical reaction, and this influenced moderate short covering, also some investment buying, altho nowhere were recoveries of a very sensational character.

There is a little export business in evidence, but most of it goes to Canada right now, and that market is improving its relationship toward Chicago, which, in our opinion, will continue. The fact that Argentina at this late date is shipping 4,500,000 bushels of wheat tends to keep Liverpool from becoming very excited. We have pointed out repeatedly that buying abroad is only a hand-to-mouth proposition. There are some days when buyers take hold somewhat aggressively, but then they are not back in the market for four or five days, and this is not sufficient to rid North America of its very heavy supplies.

We are only forty or fifty days from the new crop, and what we need right now is continuous business that will reduce stocks. This, in our opinion, must be done if the new crop of wheat is to be readily salable, otherwise a situation might arise such as we are now having in parts of the country with regard to real estate. The elevators in the Southwest are still pretty filled, and even a moderate crop of winter wheat will prove a burden unless we get a change soon for the better.

Primary receipts today were rather small, at 391,000 bushels against 807,000 bushels last year. There were no clearances, whereas last year 489,000 bushels of wheat were shipped out. So far stocks at Kansas City, Duluth and Minneapolis show a net decrease of 386,000 bushels. Canadian marketings were rather moderate today at 187,000 bushels.

It is thought that there might be some overnight rains in many sections, and if these come about we think it will be difficult to maintain anything but moderate rallies.

All deliveries of corn dropped to a new season's low today, and there was scattered liquidation; in fact, the May delivery was at the lowest figure since 1897, but toward the last speculative buying improved sentiment, and as stocks rallied there were also a few scattered buyers in the yellow cereal. July corn, as we have pointed out, has more merit but requires speculative buying to help obtain abetter price level.

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# DAILY MARKET LETTER

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FORT WORTH GRAIN AND COTTON EX.

May 6, 1932.

Liverpool was only slightly higher at the start, but gained as their session continued. There was no particular news from abroad, and July wheat in Liverpool is not much of a premium over us, so the chances for export business continue about as slight as ever. It also comes to light now that the recent Russian importations were for Western Siberia where ocean shipping costs are less than over the Trans-Siberian railway. What is probably affecting Liverpool right now are the heavy shipments from exporting countries, and from the number thus far reporting we note that Argentina, Australia and the Danube shipped 10,508,000 bushels this week against 9,233,000 bushels a year ago from the same countries plus Russia, the latter a year ago shipped about a million bushels.

As far as the weather is concerned, one of our friends from the Northwest told us that while seeding was possibly just a little bit late moisture conditions were wonderful and the prospects are certainly elegant for this time of the year. There is rain indicated again for many sections of the Southwest overnight, and these of course will also be favorable, altho, according to the Modern Miller, the improvement in the Eastern section was offset by deterioration in the Western parts of Kansas and Nebraska.

We want to call attention to the Canadian moisture since April 1st. The average in Manitoba was 1.44 inches of rain against .28 last year; in Saskatchewan the average rainfall in the same period was 1.18 inches against .14 last year; the average for Alberta is 2.42 inches against .41 in 1931. Therefore, this is a wonderful start for the seed which has just been planted.

It might also be interesting to note, on present basis of Canadian exportations, which since August 1st to April 30th amount to less than 4,000,000 bushels per week, that if this rate is maintained during the next 13 weeks to August 1st, the carryover would be 120,000,000 bushels, based on the Government estimate for the West, which was 284,000,000 bushels.

Primary receipts today were slightly better at 470,000 bushels, against 834,000 bushels last year. There were no clearances today compared with 40,000 bushels in 1931. So far stocks at Duluth, Kansas City and Minneapolis show a total decrease of 505,000 bushels. Canadian marketings were 163,000 bushels.

Most of the strength in wheat today was due to an improvement in the stock market; United States Steel rallied on a report that wages had been cut 15%. Such news might carry the market a little further and have a sentimental effect, but finally we believe that fundamentals in the grain trade will assert themselves.

Corn and other cereals sympathised in the revovery, and a better feeling was apparent in all grains.

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# DAILY MARKET LETTER

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FORT WORTH GRAIN AND COTTON EX.

May 7, 1932.

Liverpool wheat quotations this morning were very weak, and their July wheat only showed a premium of about 1 1/2¢ over Chicago. Foreign advices were also bearish- some coming from Germany stating that after a careful survey prospects were considered excellent. We were also told that Russia was still selling daily good quantities of high grade flour from the South at ridiculously low prices. Prospects from Scandanavia are also reported as exceptionally fine; and this coming in conjunction with the fine rains over wide territories of the winter wheat belt here should have given us a rather weak opening.

There had been a bullish carryover feeling from the night before due to the fact that stocks had risen quite sharply, and this in turn created a sympathetic feeling in grain, but it underwent a change as some of the recent buyers lost heart.

From what we can gather the winter wheat crop must be considerably better, as reports claiming improvement are received right along. This may not be confirmed in the Government report onTuesday next, as we understand most of the reports are made up as of May 1st. We think it is worth mentioning that inasmuch as the recent grain advances came about as a result of improvement in stock prices, the following prevailed on September 3rd, 1931, when September wheat made its low record at 44 7/8¢. On that day American Telephone and Telegraph closed at 168 1/4 and United States Steel at 83 1/4. We simply cite this to show that leading industrial stocks have suffered much more than grain, and while the relationship might be argued as unimportant, we think it is interesting. Our own attitude is to pay attention to fundamentals, which remain bearish.

Takinga general view of the world wheat situation, we regret that we cannot give more encouraging advice, but our honest opinion foresees no confident price improvement. The unsatisfactory world's financial condition is still with us, and the large unsold surplus stocks remaining in North America will act as a deterring factor in bringing about sharp recoveries. Some progress can be made if wheat is permitted to go normally into consumption, but we doubt if the amount will be sufficiently impressive to prove much of a stimulant unless something happens that is not now foreseeable.

Canada has been shipping slightly better amounts lately. Last week, for instance, a little less than 5,000,000 bushels, altho a year ago 7,410,000 bushels, so even in that country the carryover is bound to be large.

Weekly weather is quite favorable- more showers are in prospect.

Primary receipts were 578,000 bushels against 816,000 bushels last year. Wheat clearances were 364,000 bushels compared with 136,000 bushels in 1931. Stocks at Kansas City, Duluth and Minneapolis show a total decrease of 557,000 bushels, and unless something unexpected occurs, do not look for more than a seasonable decrease in the visible supply on Monday.

Coarse grains opened firm, but when the stock market failed to continue its upward trend and wheat receded buyers became less confident.

UHLMANN GRAIN CO.

# DAILY MARKET LETTER

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FORT WORTH GRAIN AND COTTON EX.

May 9, 1932.

Liverpool wheat cables had been expected weaker this morning, but instead of that they came a trifle higher, probably influenced by further sales of Australian wheat to Manchuria. A strained political action between Japan and Russia is said to be the reason for this business, altho others maintain that it is simply a transportation problem. In any event, our market was extremely dull, and with Winnipeg closed it limited the usual spreading business which generally goes on between that market and ours.

World's shipments are large this week, and North America shipped 8,962,000 bushels against 9,996,000 bushels last year. On-passage figures now show 61,216,000 bushels this week against 54,432,000 bushels a year ago.

The weather generally was ideal, fine rains occurred in Texas, also in parts of Illinois and Iowa. A ticker dispatch said that the start in Canada was about the best since 1927.

We call attention to Sanford Evans' figures on Canadian country deliveries, inclusive of May 6th; these amount to 234,000,000 bushels, and taking into account that 55,000,000 bushels never leave the farm, being used for seed, feed, etc., there is a total of 289,000,000 bushels accounted for. However, the Government estimated the crop at only 284,000,000 bushels, so already there has been a theoretical overage of 5,000,000 bushels; twelve weeks remain until August 1st, so people can make their own guess as to the probable discrepancy.

We were told by a leading grain operator that after spending two or three days in the country thru the Texas territory, he foresaw a much better outlook. He went on to say that it would probably not be as heavy as last year, but certainly two or three times as much as was indicated 20 days ago. They have had cool, cloudy, drizzly weather, which is just the thing to bring the crops forward. On the other hand, the Wall Street Journal in an article claimed that grain traders, observers and several Department of Agriculture officials travelled over Kansas recently and are almost unanimously agreed that the wheat crop was about 15,000,000 bushels poorer than the 98,500,000 bushels crop which the Government forecast on April 1st. This coming one day before the Government report caused some uneasiness, and the trade will probably remain quiet now until after the close of the market tomorrow.

Wheat clearances today were 329,000 bushels against 16,000 bushels a year ago. Primary receipts were a little bit better at 890,000 bushels, and in 1931 they were 1,390,000 bushels. The visible supply decreased just about as much as we had expected. The total now is 175,000,000 bushels, which is 19,000,000 bushels smaller than last year. However, as the amounts of United States wheat in Canada are larger, commercial stocks including the Canadian grain will not vary much from last year's figures.

Deliveries on May contracts were a little bit better, and the near-by month showed a slightly wider difference under July. We can see nothing in the situation to warrant bullishness at this time.

Field work is reported favorable for corn. Trade was also quiet, and on the whole there was lack of speculative enthusiasm

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FORT WORTH GRAIN AND COTTON EX.

May 10, 1932.

Liverpool wheat quotations were indifferent at the start, later on they firmed up, and were probably influenced somewhat by further talk that Manchuria was in the market for wheat. This had its influence upon Canada as well, and after a holiday in Winnipeg quotations in that market were firmer compared to Chicago than they had been last Saturday.

Trade on the whole was very light, most people were waiting for the Government report before making new commitments, altho a rather bullish trend was noted, and the consensus of opinion was that the figures to be issued later in the afternoon would be quite bullish. Just how this is arrived at we are at a loss to understand. We get reports from Texas where further rains have occurred telling of wonderful progress during the past three weeks; weather there is cool and raining, which will guarantee the full promise now at hand. Wheat, barley and oats are heading out and filling heavily in that territory, due to this additional moisture.

Mr. Murray, one of the crop experts in a resume locally published concluded that the final estimate of winter wheat is often 40,000,000 bushels more or less than the May 1st estimate by the Government. He added that his guess for this year was that the final crop would yield 40,000,000 bushels larger than the estimate given today; whether the report gives 50,000,000 bushels one way or another cannot make very much difference.

We cannot evenchange our daily views if Vladivostok should take ten cargoes or twenty cargoes, as none of it is going from the United States, and whether Canada ships 10,000,000 bushels more or less will not be a figure in determining prices since even the Government estimate seems to be too low now by about 15 or 20,000,000 bushels having been under- rated.

The fine moisture situation in Canada might make a very much larger crop than anyone yet dreams of, so there is nothing very hopeful upon which to base bullish tactics at present.

We are convinced that the FarmBoard will finally sell all of its wheat, and after the public owns it, it will be a large burden until it finally goes into consumption.

Primary receipts make a slightly better showing compared to last year, being 446,000 bushels today against 651,000 bushels at that time. Stocks thus far at Kansas City, Duluth and Minneapolis show a total decrease of 443,000 bushels. Wheat clearances today were 168,000 bushels against 107,000 bushels in1931. The saddest picture of all is the division by Broomhall of wheat and flour shipments last week- from United States only 1,875,000 bushels were shipped and fromCanada 7,087,000 bushels, which shows more clearly than words which country is doing the business and how badly we are missing out. Commercial stocks in United States, including the amount of wheat now in Canada, shows a total of 208,093,000 bushels, or about 4,000,000 bushels smaller than last year.

Corn enjoyed only a moderate trade. Rye was quite firm, and since it lost considerably on wheat during the past few weeks, operators have felt a little more friendly to this cereal on present basis.

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FORT WORTH GRAIN AND COTTON EX.

May 11, 1932.

Liverpool wheat quotations came considerably better this morning, undoubtedly influenced by the Government report which had been issued late yesterday.

A diminished outlook for the winter wheat crop as given out by the Government was the main news overnight. No explanation has been forthcoming as to why the crop should be 17,000,000 bushels smaller than last month, and traders found it rather difficult in view of the recent rains to reconcile these two reports. Despite some doubt it was believed in many quarters that the correctness of these figures must be taken until something more definite is published. Even assuming that the outlook is for only 440,000,000 bushels of winter wheat, to this must be added the prospective carryover, and also a normal spring wheat crop, which in our opinion would give us about 1,100,000,000 bushels of wheat at the beginning of the next crop season. It is not likely with the present cheapness of corn and the abundance of that cereal that much wheat will be fed this coming year, so deducting a normal disappearance of 650,000,000 bushels for domestic requirements there should be 450,000,000 bushels of wheat for surplus. In view of this, we cannot take a bullish attitude, even assuming the worst kind of a winter wheat crop.

Chairman Stone, of the Federal Farm Board, apparently does not assume the same reasoning, as a statement accredited to him was to the effect that an increase of 10¢ per bushel, or more, was justified by the last Government's estimate. He also reports a good export demand, but possibly he means our competitors, as Canada, Argentina and Australia are doing a fair business, while the amount from United States remains comparatively small.

A great many people have sent in their ideas, calling attention to the rains since the Federal figures were compiled, some even venture opinions that the next report will show considerably more. At least there is no doubt but that the weather now is fine and cool, and that the plant cannot go backwards much from this level.

We have seen markets like these previously and failure to respond to such sensational news often means that the figures themselves are discredited.

Primary receipts were 616,000 bushels against 1,091,000 bushels last year. Clearances were 366,000 bushels compared to 120,000 bushels in 1931. So far stocks at Kansas City, Duluth and Minneapolis decreased 764,000 bushels, indicating a reasonable shrinkage in the visible supply stocks again on Monday. Canadian marketings were 166,000 bushels.

There is a crop report due later today from Canada, but judging from the Searle Grain Company's report which was issued today and the fine rains, a reasonably bearish prospect is indicated.

Corn, oats and rye were affected by the action of the leading cereal; toward the last when wheat failed to hold the advance they also suffered from lack of buying.

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FORT WORTH GRAIN AND COTTON EX.

May 12, 1932.

The carryover feeling from last night was extremely bearish, based mainly on the market's own inability to respond better to the bullish Government report that had been given to the trade the day before. The fact that Argentine estimated shipments are almost 4,500,000 bushels, probably was an influence in the later transactions at Liverpool, where the market declined steadily, reaching a low point at its close.

Shipments from the Black Sea were only 312,000 bushels, and nothing from Russia, but this was hardly a market factor, as so many people had already predicted that Russia would ship only lightly from this time forward.

The Canadian report was reassuring from the point of view that surface moisture at least was ample, and only a decrease of 3 1/2% from last year's acreage was in prospect. It was further stated by Sanford Evans that on May 6th the total Canadian stocks, exclusive of those on farms and in transit, showed a total of 157,789,269 bushels, which was about 8,000,000 bushels greater than last year at this time. We doubt whether exports from that country willbe much heavier during the next twelve weeks than they were last year, and even granting that farmers' stocks are somewhat lighter the carryover will be very ample.

News filtered in during the day, some expressing doubt as to whether the bad districts of western Kansas and western Nebraska were relieved much, even by the fine rains. However, reliable forecasters were also of the opinion that the Kansas estimate of 87,600,000 bushels was considerably too low, and some ventured that there was a splendid chance of getting 100 to 110,000,000 bushels in that state, also greater amounts in Oklahoma and Texas in proportion.

What impresses us most right now is the fact that the economic structure is extremely weak. Japan had tried over a period of many months to hold up the price of silk, and in so doing withheld from sale many thousand bales to accomplish that purpose. Just recently, however, they became merchants and sold at a price of $150.00 per bale to E. Gerli & Co., which was against an open market of $178.00 for "crack double extra", which is quoted on the National Raw Silk Exchange. This is according to an article in "Time". Our Government now intends to sell half of its cotton holdings in twelve months, beginning with the first of August, and unless further appropriations are granted we do not see how they can withhold much of their wheat and cotton from immediate sale.

This being the case it behooves everybody to figure out just what such extra hedges would mean to the American markets.

Primary receipts made a fairly good showing today, 704,000 bushels against 774,000 bushels last year. Shipments were 833,000 bushels compared with 1,286,000 bushels in 1931. Stocks thus far at Kansas City, Duluth and Minneapolis show a fairly large decrease, total figures being 1,293,000 bushels. Clearances, however, were light, 82,000 bushels, while last year they amounted to 525,000 bushels. Canadian marketings were 194,000 bushels of wheat.

Other grains suffered from the weakness in wheat. There were occasional rallies, but they were feeble as buying power in both the commodity and securities market seems to be at a very low ebb right now, with general confidence lacking.

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FORT WORTH GRAIN AND COTTON EX.

May 13, 1932.

Liverpool was moderately firm before our market opened, but July wheat abroad is selling only at 3¢ over Chicago, which is not a very encouraging feature.

Argentineshipments this week are 3,827,000 bushels of wheat, versus 5,797,000 bushels last year; Australia shipped 4,317,000 bushels against 5,288,000 bushels a year ago. We call attention to the Dominion Bureau's report on Canadian acreage. Spring wheat intention to plant in the Prairie Provinces on May 1st was 24,466,000 acres which compares with last year's sown area of 25,329,935 acres. However, the intention to plant on May 1st last year was only 21,905,800 acres, so farmers actually planted in excess of 3,000,000 acres over their early intentions. If the same would occur this year the final acreage would greatly exceed that of 1931.

Since April 1st average precipitation in Manitoba was 1.73 inches versus .40 inch last year; Saskatchewan has averaged 1.25 inches against .29 last year; Alberta shows the greatest precipitation at 2.51 inches compared with only .69 in 1931.

Average exports thus far onCanadian crop are less than 4,000,000 bushels weekly; if they average the same during the remaining twelve weeks the carryover will be 118,000,000 bushels based on Government estimates. However, theoretically the overage already is 5,000,000 bushels, so the carryover is bound to be a big one.

Routine news was not plentiful; some buying was occasioned by the belief that warmer weather in the Southwest might do a little harm. Reports are mixed on the general winter wheat outlook, altho a great many people still believe that the crop in Kansas may exceed 100,000,000 bushels. Reports also from Texas indicate that the Government's estimate appears low, and we would not be surprised to see considerable enlargement of ideas before the crop is finally harvested.

We do not keep the farm board's books, and so cannot state what their losses must be on the export business now going on, but we do know, however, that when wheat is sold at the Gulf or Atlantic ports at a price equal to July basis, or lower, that they have no regard for previously established precedents, and are simply meeting Canadian competition in an effort to reduce stocks. Naturally regular export firms cannot compete, and the business will be held down to a basis depending upon how large a loss the Farm Board is willing to take. Chairman Stone insists that the policy previously adhered to will remain intact, and that only 5,000,000 bushels monthly will be disposed of. Meanwhile the load overhangs the market, which will be an influence until the wheat actually returns to normal trade channels.

Primary receipts of wheat today were 504,000 bushels against 1,091,000 bushels last year. Wheat clearances amounted to 298,000 bushels, and a year ago were 108,000 bushels. There has been a large decrease in stocks thus far, with Kansas City, Duluth and Minneapolis showing a total loss of 1,641,000 bushels. Canadian marketings were 136,000 bushels.

Trade in corn was not large, but there was a firm feeling, despite the surroundings and the general weakness in the stock market.

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FORT WORTH GRAIN AND COTTON EX.

May 14, 1932.

In 1929 the Farm Marketing Act was passed. Politicians claimed that the wheat price was too low for the farmer, and that he could not exist. This was based on the price prevailing towards the end of 1928 when futures in Chicago were selling around $1.20 per bushel. This meant about $1.00 to the Kansas farmer, and based on the 1928 crop of 177,000,000 bushels the return to that state was about $175,000,000.

The last Government report estimated the crop for Kansas this year at about 90,000,000 bushels, and after three years of stabilization, the price return is 40¢ to the farmer, which will bring him about $36,000,000., or just about one-fifth.

This has all occurred thru the non-sensical accumulation of stocks.

There were only two crops since the war which can be compared in smallness with the present winter wheat crop-- one in 1917 and one in 1925. T he one in 1917, of course, was during the war when the price was $3.00, and in 1925 as high as $1.85 in Chicago. It would easily sell this year at $1.00 a bushel had it not been for the so-called "stabilization" on part of the Farm Board. It is through the stabilized prices that the current future sold at 57¢ at the end of December, and is now selling just a shade below that price. It is perfectly true that wheat can be stabilized at a low price, but it cannot be stabilized at a high price, as results have shown.

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# DAILY MARKET LETTER

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FORT WORTH GRAIN AND COTTON EX.

May 14, 1932.

Rather strict holidays were observed abroad; this meant that there were no Liverpool quotations to guide us, nor little foreign business to encourage us. That being the case the market was influenced by rather mixed reports from the Southwest; some claimed a little more wheat than the Government had reported in its May estimate, while others in the western sections discussed deterioration. The weakness in the stock market was discouraging to holders and caused some liquidation.

We think it is well to take a look at the North American picture at this time. Assuming that the Government is about correct and that the winter wheat crop will be about 450,000,000 bushels, then assuming that the spring wheat will yield about 250,000,000 bushels, and adding thereto the prospective carryover of 400,000,000 bushels, there would be available at the beginning of the next crop season 1,100,000,000 bushels. If we add to this the probable carryover in Canada of 120,000,000 bushels, and a normal crop on present acreage of 450,000,000 bushels, total stocks in North America would be 1,670,000,000 bushels; then if we deduct consumption in both countries of 650,000,000 bushels here, and Canada's 120,000,000 bushels, or a total of 770,000,000 bushels, it would leave 900,000,000 bushels for export and carryover.

Now let us see what the situation was last year: our own crop was 890,000,000 bushels, Canada raised according to official reports 300,000,000 bushels, United States carried over 335,000,000 bushels and Canada 140,000,000 bushels, making total stocks of 1,665,000,000 bus. Our consumption was 50,000,000 bushels greater last year on account of extra feeding, Canada's domestic disappearance was 120,000,000 bushels, or a total of 820,000,000 bushels, which left for export 845,000,000 bushels.

It will be observed from the above resume that we might have as much, or more, wheat at the end of next year as we have now, and certainly no cause to anticipate much improvement in the price level unless other factors, including the economic situation, prove more helpful.

Primary receipts today were 588,000 bushels compared with 1,043,000 bushels last year. Stocks at Kansas City, Duluth and Minneapolis show a total decrease of 2,078,000 bushels. Wheat clearances were 312,000 bushels against none last year.

We pointed out today that based on the Government's estimate and present low prices prevailing because of the so-called "stabilization program", Kansas will reap only about one-fifth as much for this year's crop as she did in 1928 when a bigger yield was procured, but when stabilization was unknown.

It seems sad to think that with only two years since the War, namely 1917 and 1925, when the winter wheat crop had been as poor as it will probably be this year, that farmers have to be penalized thru the non-sensical accumulation of stocks.

Other grains attributed their weary appearance to depressing influences surrounding the wheat market.

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FORT WORTH GRAIN AND COTTON EX.

May 16, 1932.

Liverpool was again observing a holiday, and there was very little news, altho we had a cable from one of our correspondents calling attention to the fact that NorthernE urope had about the brightest prospects at any time in history. There was not a great deal of export business, which of course was natural in view of offices abroad being closed, and attention was centered mainly on crop reports that came from our own Southwest, many of which were at great variance.

Despite the fact that further moisture had occurred in a number of sections crop experts called attention to deterioration which had taken place in the last two or three weeks, some claiming that additional rains would be needed immediately to check further damage. We believe that the weather will be quite a factor from now on. It is difficult even for experienced people to make an accurate guess as to how large a crop Kansas will raise; there were some estimates extremely low, others made it 75,000,000 bushels; and there were a few at hand claiming as much as 125,000,000 bushels. In any event, no one is expecting a very large crop of winter wheat, and the important factors in shaping prices from now on will be the size of crops not only in our own Northwest, but also in Canada.

We quote Mr. Burrus, of Dallas, whom we have always found conservative and extremely able in sizing up conditions, and who wired us as follows: "Am favorable to forty million bushels with weather conditions reasonable for remainder May: Government figures for Texas last year about 12,000,000 bushels too low; Panhandle produced approximately 60,000,000 bushels last year, this year 27,000,000 bushele estimated. East of the panhandle last year produced more than 10,000,000 bushels, this year estimated to produce 13 to 15,000,000 bushels wheat east of the Panhandle, which is awfully good".
We have pointed out before how it is still possible to have as much wheat in all positions, including carryovers, on the first of August as it was a year ago, and everybody knows how low prices sold at that time. Our opinion still is that sooner or later the FarmBoard wheat will be put back into regular market channels, and we doubt if any more will be given as a gift to the Red Cross, or exchanged for coffee; nor will it be sold to China on credit, nor to Germany in the same manner, but in our opinion money will be needed and the wheat will be sold on the world's basis for whatever it can normally bring. At that time values will probably be lower, but after we get back to an export basis the situation will become healthier.

The wheat visible in decreasing 4,183,000 bushels brings the total down to 170,719,000 bushels; this is 21,000,000 bushels smaller than a year ago at this time. Primary receipts of wheat today, were 873,000 bushels compared with 1,952,000 bushels last year. Clearances amounted to 357,000 bushels versus 24,000 bushels a year ago. Canadian marketings were 240,000 bushels.

Other cereals benefited from the advance in wheat. There was a fairly good demand for corn, and the difference between May and July narrowed a trifle more, with shipping interests apparently taking the grain in nearby positions.

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# DAILY MARKET LETTER

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FORT WORTH GRAIN AND COTTON EX.

May 18, 1932.

Despite our firmness yesterday Liverpool was weak and Broomhall expressed the opinion that shipments from Argentina and Australia would keep up for another month, and also called attention to the large amounts still remaining in Canada. At this point we call attention to the total Canadian stocks, exclusive of those on farms and in transit, which amount to 154,000,000 bushels, or 9,000,000 bushels larger than last year. Europe, of course, sees this and makes her own deductions. In addition to that, we had a cable from Paris stating that the market is depressed, prospects are for a large crop which will exceed requirements, and the market looks lower to them. Arrivals on the other side are sufficient, and buyers are skeptical about the reported damage, as they have never seen good weather before that would make wheat deteriorate. They reason that this year should not be contrary to the usual run, and that probably when the June returns come in ideas will probably change. In any event, June is generally a bearish month, and by that time actual crop conditions assert themselves.

At the present time local speculators are only looking at one thing; namely, the winter wheat crop, but the fact that estimates are low at the present time would indicate that the plant itself must look poor otherwise estimates would range higher. The weather in the main had been at least fairly good during April with considerable rains, and all one can go by are averages in the past when the outlook was poor, so patience will be required now as in other years.

We do not want to deceive ourselves on the export business, as we know with cheap Canadian freights it is even quite difficult for that country to make sales abroad. They quoted a reduction in freights of 1 1/2¢ per bushel, and it only requires 4¢ in Canadian money to take wheat from Ft. W illiam or Port Arthur to Montreal. This will make great competition for the farm board who have been meeting Canadian prices for the Seaboard wheat.

Bradstreet's exports for the week are somewhat larger- 9,017,000 bushels against 7,391,000 bushels last week and 8,638,000 bushels a year ago. Total for the year todate is only 275,000,000 bushels, whereas last year North America had shipped 314,000,000 bushels.

Primary receipts were rather light today at only 404,000 bushels, against 1,610,000 bushels a year ago. Kansas City, Duluth and Minneapolis stocks show a total decrease of 409,000 bushels. Wheat clearances were 323,000 bushels against nothing last year. Canadian marketings today were 137,000 bushels.

In our opinion winter wheat prospects are hardly a factor from now on, as everybody knows the crop will be a poor one, but eyes should be directed and focused in different channels, as normal crops in spring wheat territories and abroad will finally shape the price. So far the outlook is favorable, and the economic situation shows little, if any, improvement.

Corn was influenced by talk that we might benearer a beer basis, but we have heard that so often in the past that lots of people have gone thirsty awaiting a change in political action on this score. The yellow cereal, however, has some merit, but our opinion remains so bearish on wheat that we hestiate to advocate the purchase of corn except on sharp declines.

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FORT WORTH GRAIN AND COTTON EX.

May 19, 1932.

Liverpool wheat cables were somewhat higher at the start, but failed to maintain the advance. It seems difficult to bring about much of a readjustment between European markets and ours, with the result that our export business remains at small proportions.

The recent drop in lake freights, which we mentioned yesterday, together with a discount of about 11 1/2% for Canadian funds under the American dollar, tends to put more Canadian wheat into export channels at our expense.

The main depressing feature is still the farm board load, and their tactics have resulted in the huge carryovers which we will have at the end of this year.

Mr. Broomhall quotes some figures with which we do not agree, and we are now awaiting more explanation, as we consider, on Canada for instance, that with stocks as large as they are now that they can easily carry over 115 to 120,000,000 bushels, whereas he estimates about one-half of that amount. On the United States, we still cling to our figure of 400,000,000 bushels, and at the end of the season we are willing to make comparisons with this able statistician.

Reports seem to come in from the Southwest telling of the bad condition; we cease to pay much attention to these, as there is a limit to how bad the crop can get. Rains are forecast in a good many districts overnight, and a thorough soaking would undoubtedly send crop experts out with stories; so we must be patient now until we see the trend of nature.

Primary receipts today were 619,000 bushels against 1,252,000 bushels last year. Clearances were 72,000 bushels compared with nothing in 1931. So far this week stocks at Kansas City, Duluth and Minneapolis show a total decrease of 534,000 bushels. Canadian marketings were 184,000 bushels. To those who have been reading our market letters we might suggest that the reason the primary movement compares unfavorably with the size of last year is that wheat is not being stabilized at 81¢, as it was in 1931; the fact that the farmer received a premium of about 20¢ over July, hastened marketings, and this year with a carrying charge the reverse is the case. Also the poor winter wheat prospects make the farmer more conservative in his marketings in the Southwest, while in the Northwest the crop was a small one.

Corn was affected by the advance in wheat. Rye was quite strong, local buying being the chief feature.

UHLMANNGRAIN CO.

# DAILY MARKET LETTER

UHLMANN GRAIN COMPANY
HARRISON 6282
141 W. JACKSON BLVD.
CHICAGO

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MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

Sat.
May 20, 1932.

Liverpool wheat cables came slightly higher today, which was construed as bullish since lower quotations had been expected. However, wheat abroad is only about 3¢ over Chicago, and with the very great weakness in Canadian exchange, at the present time more than 12% discount under the American dollar, the chances are that exportations of United States grain has become somewhat lessened. Of course, occasional cargoes are sold by the FarmBoard to Greece on special treaty agreements, but this does not rid us of our big surplus. We will start in six or seven weeks on the next crop, which we know will not be a large one, but in our opinion will seem ample, in view of the fact that elevators in the Southwest are pretty well filled before any of the new arrivals come on the market.

From the recent grain dealers' convention come reports about growing conditions, and the consensus of opinion is that in some instances the Kansas estimates are too pessimistic; and the old-timers point out that when wheat is between the grass stage and just starting to head it is impossible to tell what the final results will be, but with any kind of reasonable weather many are still forecasting 90 to 100,000,000 bushels for that state.

Little mention is made right now of Northwest conditions, but nevertheless reports are almost uniformly good, and the Canadian crop is starting wonderfully well. Seeding, according to Sanford Evans, will be completed in the Prairie Province by next week. Moisture conditions since April 1st show average for Manitoba this year 1.77 versus .81 last year; Saskatchewan 1.51 this year versus .52 last year; Alberta 2.78 versus 1.10 a year ago. Moisture in our opinion is the important item. Southwest weather is still dry but as we mentioned previously, no longer a factor if spring wheat comes thru. Our opinions are unchanged. We may have to wait for the movement or farm board developments, but continue to feel that large supplies will handicap any bullish operations.

Primary receipts today were 564,000 bushels against 1,172,000 bushels last year. Wheat clearances were nil compared with 882,000 bushels a year ago. So far stocks at Kansas City, Duluth and Minneapolis show a total decrease of 811,000 bushels. Canadian marketings were 265,000 bushels.

In our opinion we will have to get down to business and meet Canadian competition. Hope alone will not be sufficient to keep prices on the up-grade; everybody would like to see it, but finally we must face realities.

Corn was influenced by the strength in wheat, trade was moderate and weather is favorable. The forecast, which is also a factor for the leading cereal, makes us believe that showers will be witnessed within the next twenty-four hours over many territories.

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FORT WORTH GRAIN AND COTTON EX.

May 21, 1932.

Liverpool was extremely weak this morning, they paid absolutely no attention to the strength in North America yesterday, and this caused a pause during the first part of our session.

Bad reports continue to come from a great many districts of the Southwest, but at the same time there are also some conservatives, like Mr. J. C. Crouch of Dallas, who does not think that the crop is nearly as bad as some people indicate. He calls attention, for instance, to the district between Dallas and Oklahoma City, which is 100% compared with last year, other districts not as good, the poorest being between Ellsworth to Russell where he states condition is about 50%. However, time alone will tell just what is going on, and if rains occur over the week-end, as are forecast, it might make a very great change in those conditions. We have in mind what might occur in the middle of July when Kansas City gets from 300 to 600 cars of wheat with no export demand and no outlet to the Northwest, and then of course the situation will be entirely different. In the meantime, reports from the Northwest, both in our own spring wheat territory and in Canada, remain good. Satisfactory conditions are also reported from Germany and France, altho in the latter country the crop is two to three weeks late.

We cannot become alarmed and have no faith in prices being maintained, even if an Eastern clique is supposed to be behind it. We have seen too many such pools in the stock market, and again where the farm board, itself, failed to put up prices by simply buying when merit was lacking. What we need later on is a good export demand, which is not in sight, and with Canada and Liverpool losing on us it makes the situation even less healthy.

Primary receipts were 625,000 bushels compared with 1,456,000 bushels last year. Clearances were 454,000 bushels while in 1931 they amounted to 80,000 bushels. Total stocks at Kansas City, Duluth and Minneapolis show a decrease of slightly over 1,000,000 bushels, and the visible supply onMonday will no doubt show normal shrinkage for this time of the year.

Corn and other grains were influenced by the great strength in wheat; the leading cereal received the best support, but the advance gave courage to the other grains.

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May 23, 1932.

Liverpool wheat cables again today showed very poor response, and we doubt very much whether that market will advance much tomorrow, as Winnipeg also remains weak; consequently, England and the Continent can buy their wheat practically as cheaply as before our advance had started. We have practically been out of line as an export nation for two years, and it now looks as if this situation will continue indefinitely; even the farm board will be unable to make further sales of wheat unless they should continue to make still greater sacrifices than heretofore. Therefore, it is very plain that those who favor higher prices are figuring that on account of the shortness in the crop of winter wheat we shall be more or less on a domestic basis. We cannot share this view on account of the very large carryover. Our visible supply now is about 170,000,000 bushels, and this together with the United States wheat in Canada and wheat west of the Rockies amounts to 200,000,000 bushels; assuming that the farmer carries over 8 to 10% of his crop, or 70 to 80,000,000 bushels, and further assuming that mills and country elevators carry over 120,000,000 bushels, there would still be 400,000,000 bushels to be figured with compared with the ten year average of 128,000,000 bushels before 1929. These 272,000,000 bushels extra wheat will be the determining factor in making the price unless there should be great deterioration in spring wheat.

The pessimist probably figures now on a crop close to 650,000,000 bushels, and the optimist on over 700,000,000 bushels of both spring and winter wheat combined. This would give us a carryover and exportable surplus of about 400 to 450,000,000 bushels, which in our opinion, precludes very high prices, particularly if the carrying charge is taken into consideration.

Today's news was bullish again insofar as the domestic situation is concerned, as there were no rains where mostly wanted, while they again had good precipitation in the spring wheat belt and in Canada, which is very important for those districts. However, our weather man believes that there will be showers and thunder storms overnight just where wanted, (this, however, is not confirmed by the official forecast) and if they should materialize we believe a reaction is due.

The decrease in the visible supply was 1,164,000 bushels- much less than heretofore, but still considerably more than the 275,000 bushels decrease of last year. Primary receipts were light compared with a year ago.

Corn, oats and rye all sympathised with the strength in wheat, and closed higher.

UHLMANN GRAIN CO.

# DAILY MARKET LETTER

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May 24, 1932.

In writing the first market letter in a little over four weeks after returning from a trip to the Pacific Coast, I find that at the close today wheat is just about 1¢ per bushel higher than it closed Saturday four weeks ago, when the July price was 58 5/8-3/4¢. In the meantime, we had the most pessimistic reports on the winter wheat outlook and private experts continue to claim that the crop has gone back since the first of the month. If the market could not make any better showing under these circumstances, there must be something very radically wrong with underlying conditions, and these are not difficult to explain.

Naturally the general impoverishment of the world has a great deal to do with discouraging sentiment, and lack of ready money is also minimizing speculation. Furthermore, the extreme weakness at Liverpool indicates to us that European crop prospects must be better than normal, and that Europe must be more independent of United States wheat than for many years. Naturally the better outlook in Canada and in our spring wheat territory also had a moderating effect. We, ourselves, believe from reports which have come to us during the last few days that the bad crop outlook also has been very largely exaggerated, and even without today's rain the extreme figures which have been given out as to the probable outcome of the winter wheat crop will have to be raised sooner or later. Consequently, when the weather map showed heavy precipitation in the very territory where rain was mostly needed it had a depressing effect on the market, which lost its yesterday's advance and closed about 1 1/4¢ per bushel lower. Liverpool, which was immediately advised of the rainfall, declined almost as much as we did, altho their futures are hardly any higher than ours.

We find that the previous short crop, which was experienced in the United States was in 1925, is very often referred to. In that year we raised only 398,000,000 bushels of winter wheat, 270,000,000 bushels of spring wheat, or a total of 668,000,000 bushels, which certainly ought to be surpassed this year. The chief differences between that year and this year, however, is that on July 1st, 1925, we carried over only 115,000,000 bushels of wheat compared with 400,000,000 bushels now, our net exports that year were 91,000,000 bushels, which probably will not be exceeded this coming season. Now supposing we raise this year only as much as in 1925, or

| | |
|---|---|
| 1925, or - - - - - - - - - - - - - - - - - - - - - - | -668,000,000 bus. |
| with a carryover of- - - - - - - - - - - - - - - | -400,000,000 " |
| would give us a total of - - - - - - - - - - - | -1,068,000,000 " |
| Consumption in 1925 was only 593,000,000 bushels, and assuming this year it should be - - - - - - - - - - - - - - - - - - | 650,000,000 " |
| We would still have for export and carryover - - - - - - - - - - - - - - - - - - - | 418,000,000 " |
| Should our exports be the same as then, or | 91,000,000 " |
| we would still have left for carryover on the 1st of July, 1933 - - - - - - - - - - | 327,000,000 " |

In the year 1926 there was only carried over 99,000,000 bushels. Therefore, there is hardly a year in history comparable to this year, where the chances are so unlikely that we might be on a domestic basis. Consequently, until we come in line with Liverpool, in our opinion, our market will not be on a sound basis unless there should be a further calamity in the crop outturn.

Stocks at Kansas City, Duluth and Minneapolis show an increase so far this week of 104,000 bushels. We expect comparatively smaller decreases in the visible supply from now on. Even in the year 1925 when we had such a short crop the visible supply increased from the low point to the high point 25,000,000 bushels.

Clearances were also light at 102,000 bushels. Primary receipts were 443,000 bushels compared with 1,464,000 bushels last year. Broomhall's division of exports of wheat and flour from North America this week show shipments from United States at 2,749,000 bushels and fromCanada 3,831,000 bushels. C orn receipts were also light, being 220,000 bushels.

Corn , oats and rye all sympathised with wheat and closed lower.

UHLMANN GRAIN CO.

# DAILY MARKET LETTER

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FORT WORTH GRAIN AND COTTON EX.

May 25, 1932.

Liverpool wheat cables continue to be disappointing, and Europe seems to be absolutely sure that her needs can be easily supplied, otherwise the continued weakness abroad would be unexplainable. Argentine estimates show a sharp dropping off, and North American shipments are light, all of which one would imagine would tend to an improvement abroad, but no signs are as yet forthcoming to that effect.

As pointed out before, we believe that European crop prospects must be better than average, or else such indifference would be inexplicable.

According to our reports, there were very good rains again overnight in sections where moisture was needed. Our country is so large that in periods where drought has prevailed for a long time and finally there is rain there is always a great controversy as to how much good it will do and what percentage of the territory has been favored, but it is our impression that the amount of moisture during the last few days must have benefited the wheat plant very greatly. This, we believe, was the cause of lower prices during the early part of the session, but the new pressure of wheat hedges is so small that it requires but small incentives to bring about fluctuations, and when a few buying orders came in the market the advance from the lowest point was quite rapid, and the market finally closed about 3/4¢ higher than yesterday's close.

Wheat clearances from North America were extremely small- only 6,030,000 bushels compared with 9,010,000 bushels last week and 9,353,000 bushels in 1931; this undoubtedly will make world shipments for this week very small. We find, according to Bradstreet, the total clearances from North America were only 281,000,000 bushels, with about five weeks yet to go on this crop year, so in all probability they will not exceed 310 to 315,000,000 bushels of wheat. Should European requirements not be larger the coming season than this, and assuming the Canadian crop would be about a normal one, Canada on this year's raising alone could furnish this quantity without one single bushel from the United States; this does not take into consideration the fact that Canada is bound to carry over a very large amount of wheat, as according to Sanford Evans, wheat in different positions amounts to 149,000,000 bushels compared with 137,000,000 bushels last year, or 12,000,000 bushels more, and this does not include the wheat left in farmers' hands or in transit in either year.

Primary receipts continue to be light, particularly compared with last year, being only 508,000 bushels against 1,729,000 bushels a year ago. The large receipts last year evidently were due to the stabilized price of 81¢ for Chicago contract wheat, and there were only a few days more left for wheat to be sold or disposed of at that price. However, the demand must also be very poor, as stocks at Kansas City, Duluth and Minneapolis increased 205,000 bushels in spite of the light movement. Clearances were only 44,000 bushels. Canadian marketings were 269,000 bushels, but we presume these also include yesterday when there was a holiday there.

Corn, in spite of the strength in wheat, closed alittle lower. Rye and oats were neglected during all of the session, with very small fluctuations, altho rye closed a little higher.

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FORT WORTH GRAIN AND COTTON EX.

May 26, 1932.

Liverpool wheat cables today showed only moderate advance. Evidently foreign markets do not become very excited on bulges from this side. There are very few comments being made on the European crop outlook, which is generally the case when conditions are about normal; it is only when there is either great deterioration or a freakishly good outlook that frequent advices are desired. Naturally, when crops are coming along normally no special mention is made.

Weather here was wonderful; there were rains in a large part of the wheat producing country. This refers not only to the Southwest where there was particular need of rain, but also the Northwest was favored with a great deal of precipitation. We believe that at the present time the outlook for spring wheat, both in the United States and in Canada, is exceptionally good; and while there is plenty of time for great changes it now looks as if a great deal of the winter wheat shortage compared with last year could be made up in our Northwest and in Canada. This is more particularly true, because this territory mentioned had exceptionally poor crops a year ago, and there are many years where they raised from 200 to 300,000,000 bushels more than they did in 1931. Under these circumstances, it is therefore not safe yet to figure that the world's production will be much, if any, less than last year, and this is the reason, with the large carryover, why it is so difficult to advance prices and hold advances, in spite of the damage which has occurred already.

We furthermore believe that with the rains we have had for the last few days the reports from the Southwest will continue to improve. Not every reporter has sufficient vision to imagine how wheat will look in June when he inspects the fields in May; even with normal progress everything looks brighter in June, and this is the reason why in most years wheat prices in June are lower than they are in May. In order to refresh our memory on this point, we have looked up the price of wheat on May 25th for the past ten years and how same compared with June 25th, a month later, with the following results:

CHICAGO JULY WHEAT

| | May 25th | June 25th | | | |
|---|---|---|---|---|---|
| 1922 | 1.21 3/4 | 1.11 1/8 | - | 10 5/8¢ | lower |
| 1923 | 1.24 1/2 | 1.17 | | 7 1/2 | " |
| 1924 | 1.08 1/2 | 1.14 1/2 | | 6 | higher |
| 1925 | 1.61 3/4 | 1.52 | | 9 3/4¢ | lower |
| 1926 | 1.38 3/8 | 1.34 3/8 | | 4 | " |
| 1927 | 1.44 | 1.40 3/8 | | 3 5/8 | " |
| 1928 | 1.50 7/8 | 1.36 3/4 | | 14 1/8 | " |
| 1929 | 1.04 3/8 | 1.13 3/4 | | 9 3/8 | higher |
| 1930 | 1.05 5/8 | .88 5/8 | | 17 | lower |
| 1931 | .58 1/2 | .57 1/4 | | 1 1/4 | " |

There were only two years during this period when the price in June was higher than in May; one of them was in 1924, and the one in 1929 was the year where the Farm Marketing Act was passed, and possibly Washington news at that time may have had something to do with it.

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KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

5-26-32

Primary receipts today were fair at 672,000 bushels, altho they compare with the large quantity of 1,719,000 bushels last year, which was extraordinary then because the May wheat price was stabilized. There were no clearances today. Stocks at Kansas City, Duluth and Minneapolis show an increase so far this week of 259,000 bushels. We look for a very small decrease in the visible supply on Monday. Canadian marketings were 297,000 bushels

After a very sharp break during the early part of the session in consequence of the rains, there was a gradual recovery later, and the net decline for the day was only quite moderate. The advance was caused by a firmer stock market, and the reason given for its strength was that the prospects for a sales tax are more favorable now. The general influence of business, and the stock market, on wheat prices will prevail for sometime, but in our opinion not later than such time as the crop movement starts, and by then the period of supply and demand will be the guiding feature for prices.

Corn was depressed, and also barley on account of good moisture conditions. Oats and rye continued to remain neglected.

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FORT WORTH GRAIN AND COTTON EX.

892,000,000 bushels shows a disappearance during the year of 825,000,000 bushels, and we figure the disappearance as follows:

| | |
|---|---|
| U.S. normal consumption | 640,000,000 bu. |
| Estimated net exports abroad up to July 1 | 110,000,000 " |
| Total - - - - - - - - - - - - - - - - - - - - | 750,000,000 bu. |
| We estimate the extraordinary feeding this year at | 75,000,000 " |
| making total disappearance - - - - - - - - | 825,000,000 " |

This makes it very plain that the early estimates as to the amount of animal feeding had been grossly exaggerated. Probably the consumption both for human and animal feeding would have been 35,000,000 bushels less had it not been for the distribution of 40,000,000 bushels to the Red Cross, of which amount about half went for human food and half for animal feeding.

It is very important to consider that in calculating next year's outlook we shall be confronted with the following:

| | |
|---|---|
| Estimated crop at present time, (which may be increased or decreased) | 660,000,000 bu. |
| Carry-over | 400,000,000 " |
| Total | 1,060,000,000 " |
| Normal consumption | 640,000,000 " |
| Leaving for export & carry-over - - - | 420,000,000 " |

There are no signs of anything more than normal amount of feeding with the low price of corn, oats, barley, etc., so we could therefore do a moderate export business and still have a carry-over next year almost as large as on July 1, 1931.

We also wish to point out the difference in holdings. Of the carry-over of 335,000,000 bushels last year, the farm board held 254,000,000 bushels, leaving in the normal trade 81,000,000 bushels. This year we estimate that of the carry-over of 400,000,000 bushels the farm board will have 90,000,000 bushels cash wheat, so that the trade in general will have 310,000,000 bushels.

In the same report the government shows that the carry-over in the four chief exporting countries is about 31,000,000 bushels less than last year, which shows that we have practically consumed as much as we raised in the world in this particular year, and at times when such conditions prevailed wheat sold at a reasonably high price. The only reason this past year was an exception was the enormous carry-overs from previous years, and until they are removed we believe it will be difficult to boost prices.

Primary receipts today were 870,000 bushels compared with 1,936,000 last year. Canadian marketings were 483,000 bushels. Stocks at Kansas City, Duluth, and Minneapolis show an increase of 139,000 bushels. Wheat clearances were 248,000 bushels, all from New York. Corn, oats, and rye were little affected by the variations in wheat, and trading in these cereals is at a minimum.

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Sat. May 27, 1932.

Liverpool wheat cables were no factor in our market today; they were about 1/2¢ higher than their close of yesterday, but we had an equal rise after their close, so they really came about as expected. Our opening, therefore, was without any particular feature; in fact, for several hours trading was extremely limited and mostly of a local character.

There were some further rains in the Northwest, which were good. There is some apprehension that all sections of Canada had not been equally favored with precipitation, and the average amount of rainfall last week was not particularly great. However, conditions are much better than a year ago, when Manitoba had an average rainfall from April 1st to May 25th of .82 inch compared with 2.08 this year; Saskatchewan .57 against 1.83 and Alberta 1.19 versus 3.91 inches in 1932. However, owing to the fact that the country was very dry more than the normal amount of rain will be needed in Canada to bring about the very best results. The Modern Miller was also rather bullish inasmuch as they claimed deterioration in all Eastern states, with the exception of Ohio and Michigan. We consider the weather in the Southwest as extremely favorable; cool weather from now on will be rather beneficial and hot weather is not wanted, and none is in sight.

There were slight fears expressed that there might be frost in western Kansas and Nebraska, but as far as our records show, if correct, there never has been any frost in the Southwest after May 26th, so should there be any it would be exceptional, and would have to be over an extended area to do much damage, because just in the territory where frost might appear the crop has already been very largely reduced.

Nevertheless, we had periods of strength caused by local traders, but it all disappeared when the United States Department of Agriculture came out with figures on supplies available for export and carryover, as 418,000,000 bushels on May 1st. Assuming that our exports from May 1st to July 1st should be 18,000,000 bushels, or 9,000,000 bushels a month, and we doubt whether they will be anything like that figure, the carryover on July 1st would be 400,000,000 bushels, or 65,000,000 bushels larger than in 1931. This is the figure which we had given out for the past two months as most likely, but it looked so very large that it was generally discredited and we had to answer many questions and explain how we arrived at that figure. However, we checked our figures over and over again, taking both supply and demand, known quantities, and then again proved them by estimated public stocks in elevators, known and unknown stocks, always arriving at the same result. But official figures always decide the question for the trade, and therefore all the strength was lost and the market closed at a reasonable decline.

This carryover also confirms, or destroys, a great many theories which had been promulgated during the year. We fdgure that this increase in carryover of 65,000,000 bushels on a crop of

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KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

May 28, 1932.

Liverpool wheat cables were rather strong today, in spite of an improvement in sterling exchange, and Liverpool December wheat is now about 1¢ over our December.

There is still much controversy going on as to how much or how little value should be attached to the fact that Liverpool futures are selling practically at the same price as ours. Ever since 1929 when the farm board activities started, we based on bearishness mainly on the theory that with Liverpool futures equal to ours there can be no normal profitable export business, and so far our views have been correct; we still believe that only sound conditions will be restored when this changes.

It is true cash wheat in Europe is selling at a premium at the present time. June wheat in Paris a few days ago sold at $1.86 and July-August wheat $1.61, which shows that Europe may require larger quantities for a few months more, but they consider their outlook as being favorable- therefore, discounting their future prices.

During this week fluctuations in wheat were very small; at the close today the market had declined but very little compared with Saturday a week ago, and this in spite of the fact that we had good precipitation in the Southwest where it was wanted, securities had been lower, and in ordinary times declines would have been sharper. It shows that the speculative world is still impressed with the idea that the price has already discounted a great deal. It is now a question of whether these opinions will still prevail when the actual pressure of the new crop comes on the market.

The lowest yield per acre on winter wheat since 1917 was 12.07 bushels per acre, in 1925, which would give us on the present standing acreage of over 32,000,000 acres, about 406,000,000 bushels. We doubt, however, whether this year's outturn will be the lowest during the last fifteen years; but even should we not raise more wheat, with the 400,000,000 bushels carryover, we would have secured 806,000,000 bushels before one bushel of spring wheat is raised.

The weekly weather prediction we consider as quite favorable, and if it materializes we shall have normal temperatures and reasonable precipitation at various intervals-- no hot weather is in sight. It has been our understanding that the weather during the month of June, particularly at the filling period, can easily make a difference of 1 to 2 bushels per acre, whether favorable or unfavorable.

Stocks at Kansas City, Duluth and Minneapolis show an increase for this week of 249,000 bushels. Clearances were 458,000 bushels from Galveston. Primary receipts were fair at 709,000 bushels; no comparison can be made with last year when there was a holiday. After the first of June we think the primary movement will make a good showing compared with last year, because great efforts were made to bring in every bushel of wheat in 1931 before May 31 to take advantage of the stabilized price.

Corn, oats and rye remained extremely neglected, and total transactions in these cereals were at a minimum.

UHLMANN GRAIN CO.

# DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
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NEW YORK COFFEE AND SUGAR EX.
NEW YORK RUBBER EXCHANGE

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141 W. JACKSON BLVD.
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MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

May 31, 1932.

Liverpool market, as well as Winnipeg, was weak both yesterday when we were closed and again today. Weather generally was favorable, particularly when taking into consideration the fact that more moisture is predicted for today or tomorrow and temperatures are quite satisfactory.

The political situation also shaped itself for the worse, both in Washington and in Germany. The prospects for a general sales tax are diminishing, and in Germany the strong Chancellor is resigning making the situation there very uncertain again.

It was a foregone conclusion, under the circumstances, that wheat and cotton would sell lower, and considering the low prices already existing the declines were quite considerable. Speculation is at a very low ebb, and we see little chance of an improvement in prices for the present.

The somewhat distant future presents a glimmer of hope of an improved situation in wheat. We feel that judging from the latest published figures of the Department of Agriculture, the world's wheat overproduction is at an end. This year we are reducing our stocks about 31,000,000 bushels, which shows that consumption has forged ahead of production. This in spite of the fact that we had one of the largest recorded winter wheat crops per acre, although spring wheat and Canadian crops were poor. This year the outlook is for a reversal of that condition, but it is doubtful whether we shall raise more wheat than we consume.

Consequently, for two years in succession production will have about equaled world's consumption. Ordinarily under such conditions wheat would sell at about 80¢ to $1.00 per bushel; yet we feel bearish even at present levels on account of the heavier accumulations and carryovers in the United States and Canada. Both have been caused through governmental action. In the United States the large holdings were a part of the governmental policy through the farm board. In Canada prices were held up for years by the farmers' pool and finally the government granted a subsidy, thereby encouraging large production.

Therefore it is plain to see what is needed in order that the farmer may receive a fair price for his wheat. The large stocks must be liquidated; and the sooner the wheat trade is permitted to solve its own problems the sooner this correction will come. Following the last period of depression, 1894, it took four years before wheat rose from 48¢ at the bottom to $1.75 at the top. We are now in the third year of declining markets. Our United States wheat stocks undoubtedly will be reduced very materially this coming year unless artificial means are employed to prevent it.

The visible supply showed a decrease of 1,402,000 bushels compared with an increase last year of 2,106,000 bushels; comparisons from now on will be different as last year at this date the stabilized price expired. The total visible supply now is 25,000,000 bushels smaller than a year ago, but of course wheat stocks in other positions are larger. Clearances were quite fair at 458,000 bushels. Primary receipts, which include an extra day Monday having been a holiday, were 1,294,000 bushels against 1,456,000 bushels last year. Canadian marketings were quite heavy at 657,000 bushels.

Corn, oats and rye sympathised with the general depression, and all closed lower.

UHLMANN GRAIN CO.

# DAILY MARKET LETTER

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FORT WORTH GRAIN AND COTTON EX.

June 1, 1932.

Liverpool wheat cables were slightly lower today, but they were not a factor. At the opening there was some strength caused by the Senate passing the tax bill, which influenced stocks favorably. While the bill is not liked by anybody the conclusion is that any tax bill is better than none as long as the United States government is spending daily more money than it collects. However, the enthusiasm did not last very long, and gradually during the session most of the advances in stocks were lost, and the whole picture in Wall Street was very disconcerting.

The chief event of the day, however, was reports from private experts, which were not quite as bad as had been expected:

| | |
|---|---|
| The average estimate on winter wheat is | 433,000,000 bu. |
| " " " " spring " " | 253,000,000 " |
| which if materialized would make a crop of | 686,000,000 ", or |

about 200,000,000 bushels less than last year. Ordinarily it would have given us a higher market, but with the enormous carry-over it did the opposite. The trade is figuring correctly that the total supply of wheat in the United States, with 400,000,000 bushels left over from previous crops, will give us 1,086,000,000 bushels of wheat, which is about 430 to 450,000,000 bushels more than we can consume; therefore, after providing sufficiently for reasonable stocks for next year, will compel us to export very large amounts. This, of course, cannot be done as long as other countries are underselling us, and as we have so often repeated, and which seems to be more realized now, we shall not be on a sound foundation until Liverpool futures are from 10 to 15¢ over ours. Some progress has been made in this direction, and at the close tonight Liverpool July wheat is about 4 1/2¢ above ours; no doubt when the new crop commences to move the balance will adjust itself.

When making comparisons with other years there is one item that should not be forgotten; in spite of the shorter crop, probably with the exception of last year there never was as much wheat in the United States as there will be on the first of July, and last year the burden was not felt so greatly because the farm board was carrying 254,000,000 bushels of wheat at the beginning of the season, and this year they will probably carry but very little. This season the public will have to buy such quantities of wheat which will not immediately go into consumption until they can be disposed of abroad.

Stocks of wheat at Kansas City, Duluth and Minneapolis show an increase so far this week of 218,000 bushels. Wheat clearances amounted to 160,000 bushels. Primary receipts were light, at 501,000 bushels compared with 1,467,000 bushels a year ago. Canadian marketings amounted to 911,000 bushels, very heavy.

Corn, oats and rye naturally sympathised with the break in wheat, and are selling at unprecedentedly low prices.

UHLMANN GRAIN CO.

# DAILY MARKET LETTER

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MEMBERS:
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DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

June 2, 1932

Liverpool wheat cables were very weak today and wheat news in general was very discouraging. Nevertheless, our market was firm during most of the session and closed at a fair advance, but nothing very sensational. This must be attributed to conditions other than wheat; therefore we assume that the somewhat better feeling in the stock and cotton markets inspired a little hopefulness. The continued weakness in Liverpool leads us to believe that European crops are making good progress, and possibly next year's requirements will not be as large as they were this year; otherwise we can hardly construe the indifference on part of English millers. Argentine shipments have shown a falling off; Australia has not a burdensome surplus left, and Russian and the Danubian Provinces are hardly mentioned. Consequently, the bulk of the wheat from now on must come from North America. Possibly the very excellent weather in Canada may also have been an influence. Winnipeg, during the whole session, was lower than yesterday even though we had shown an advance.

The rainfall record for the month of May, which is issued by one of our leading houses, shows the precipitation unusually heavy; also in our Northwest, and certainly the spring wheat must have a very good start.

United States' wheat clearances last week were extremely small, 1,375,000 bushels, while Canada exported 5,186,000 bushels, or a total from all of North America of 6,561,000 bushels. It just shows how necessary it is, and will be, for the United States markets to keep in line with the balance of the world if we wish to get rid of our surpluses.

There is a slight tendency of widening in the carrying charges between July and September, and between September and December, and we believe this will continue for some time.

Domestic demand is also very poor, and therefore we need a new incentive to boost wheat prices permanently.

Canadian marketings were again quite heavy, 814,000 bushels. Stocks at Kansas City, Duluth and Minneapolis show an increase so far for the week of 292,000 bushels. There were no wheat clearances. Primary receipts were light, only 487,000 bushels compared with 1,140,000 bushels last year. The heavy primary movement last year, we think, was partly movement from one terminal market to another because storage room in some places became scarce.

Corn, oats and rye all were higher; these cereals are so extremely low that anything encouraging should have a very marked effect.

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# DAILY MARKET LETTER

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DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

June 3, 1932.

Liverpool wheat cables were decidedly weak today, they paying very little attention to our advance of yesterday, and being more influenced by the weakness in Winnipeg and the very favorable weather in Canada.

Conditions in our Northwest and in Canada we consider as above average. It is true that Saskatchewan, which is such a very large province, has a few spots where more precipitation would do lots of good, but on the whole conditions during the past week were extremely favorable. We quote from Sanford Evans' report the average precipitation in inches per station from April 1st to June 1st as follows:

| | This year | Last year | 10 year average |
|---|---|---|---|
| Manitoba | 2.26 | .86 | 3.2 |
| Saskatchewan | 2.22 | .58 | 2.6 |
| Alberta | 4.78 | 1.33 | 3.1 |

The weather in the middle states, and in the Southwest was also extremely favorable-- lots of rain in many places, and ideal for the further development of the plant. We always figure that good or bad weather during the filling period in June could easily make a difference of 1 or 2 bushels per acre; in fact, it will make all the difference in the world whether the wheat finally will test 56-57 pounds or 60-61 pounds-- if not in quantity, certainly in results when it is milled, as it takes so much less to produce a barrel of flour with good wheat than with poor wheat. Therefore, the next two or three weeks will be of vast importance.

In spite of all the bearish news wheat held very strong during most of the session, undoubtedly influenced by the great strength in the stock market.

Argentine and Australian shipments were very small- only about 6,000,000 bushels compared with about 8,300,000 bushels last year. It is quite evident that from now on Europe will have to get her largest supplies from North America, but she seems absolutely indifferent on account of her very favorable crop prospects.

Stocks at Kansas City, Duluth and Minneapolis show an increase for the week of 123,000 bushels. Primary receipts were 475,000 bushels compared with 1,034,000 bushels last year when there was a great deal of shifting from one terminal market to another. Wheat clearances were 263,000 bushels.

Toward the last the strength in the stock market was forgotten, and with the absolute lack of buying power and no new incentive for fresh investments in wheat the market dropped very rapidly and showed quite a sharp break compared with yesterday. June as a rule is a bad month to try to boost wheat prices, as great events usually cast their shadows ahead, and the near approach of the new crop is being felt.

Corn, oats and rye all sympathised with the decline in wheat and closed lower.

UHLMANN GRAIN CO.

# DAILY MARKET LETTER

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KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

Sat

June 4, 1932.

Liverpool wheat cables were comparatively strong, and the stock market showed an advancing tendency, which was encouraging to the bull side. On the other hand, the weather practically everywhere was particularly favorable; there were fair rains in Canada, wonderful precipitation in the Southwest, and the Northwest, which has plenty of moisture, is now enjoying seasonable temperatures.

Broomhall reports increased acreages in both Argentina and Australia, and crop prospects in France are fine; therefore, it looks as if the world might produce as much wheat this year as last year, which would make it impossible to reduce our stocks, and would bring about an intolerable situation. It is the old story of the big accumulations since 1929 on part of the Farm Board, which are the cause of all the trouble. In an ordinary year when production about equals consumption there would be no particular pressure, but the old stocks are still with us.

This being the twelfth month of the crop year, stocks at Kansas City, Duluth and Minneapolis for the week still show an increase of 243,000 bushels.

The one improving feature is the widening difference between Chicago and Liverpool, which is about 4 1/2¢- the widest it has been for some time, and with lower freight rates existing between here and Montreal we think that at about 12¢ difference a normal export business could be re-established.

Toward the close there was almost a panic in Winnipeg- their market having declined about 4¢ a bushel since last Thurday, but they had a holiday yesterday. When this becomes generally known it is bound to have another depressing effect on world's markets on Monday.

In the meantime primary receipts were 553,000 bushels compared with 1,145,000 bushels last year. Clearances all from New York were 40,000 bushels.

The close of our market was extremely weak, and nothing but crop damage somewhere of great importance will change the situation, in our opinion.

Corn, oats and rye declined with wheat.

UHLMANN GRAIN CO.

# DAILY MARKET LETTER

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KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

June 6, 1932

Liverpool wheat cables were weak this morning before our session opened compared with Chicago's closing prices of Saturday, but reasonably strong when considering that, after they had closed Saturday, Winnipeg had a calamitous decline. However, during their session they became very weak today, the weakness probably being caused by another debacle at Winnipeg. We believe ~~txxx~~ since the latter market recovered considerably, we shall have comparatively higher cables tomorrow.

Nevertheless, it is well to bear in mind that Liverpool July wheat is selling at only 55 5/8¢, and this after all is the yard stick for all of the Continent and for all over-sea countries that wish to sell some wheat abroad. If one expresses the decline in Liverpool of about 3 3/4¢ in percentage, or about 7% in one day, it looks like a calamity.

Unfortunately, all the predictions which we have made regarding the final outcome of wheat prices since passage of the farm board act have come true. Our opinion was based very largely on past experience, which has shown that whenever a commodity of any sort whatsoever is pushed high by artificial means, the net result is that the higher it goes and the longer it stays high, the lower it will go and the longer it will stay low. Drawing the natural conclusion, since this is the third year that the farm board has kept our prices far above an export basis, it will take a long time to repair the damage.

The great danger lies in the fact that the correction which might normally have come within a year or two will be unduly delayed by further interference with the natural workings of events. The latest reports from Washington indicate that salaries of government officials have been reduced about $117,000,000 in line with the proposed program of general economy. However, a similar sum of money may immediately be given to the farm board for one useless purpose or another, either loaning or financing, all of which so far has been demonstrated cannot be carried out to good advantage. Thus, not only will our budget not be reduced, but the improvement in grain prices, therefore in business, which is expected to take place will again be further postponed.

We all know what happened to the Canadian pool, which collapsed, and the same is bound to happen to the farm board whenever additional funds are refused before it is ordered to liquidate its present holdings.

The sudden change in opinions on wheat values has been caused by the combination of a wonderful improvement in crop prospects in this ~~xxxxx~~ country and in Canada. Nevertheless, we doubt whether the world's crops will be very much larger than the world's consumption, and we repeat again that in our opinion there is no over-production of wheat, but there is not a permanent cure for wheat prices until the large accumulated wheat stocks can be disposed of.

The visible supply showed an increase of 2,768,000 bushels compared with 815,000 bushels last year; the total, however, is 25,000,000 bushels less than it was then. Primary receipts of wheat were 743,000 bushels compared with 1,527,000 bushels last year. Canadian marketings were 456,000 bushels and clearances were extremely light, being only 72,000 bushels.

Corn, oats and rye all suffered in sympathy with wheat prices.

UHLMANN GRAIN CO.

# DAILY MARKET LETTER

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FORT WORTH GRAIN AND COTTON EX.

June 7, 1932.

Liverpool wheat cables were weak before our session opened, but they showed quite a recovery before their close. We had intimated in our market letter yesterday that we expected more strength abroad because if there is such a thing as a limit as to how low commodities can go, the price at Liverpool certainly looks so depressed that further big declines there do not seem to be very likely. Here, of course, the situation is entirely different, because everybody should have learned by this time that if an export nation keeps its price above the world's level there will be a severe punishment sooner or later, and we are certainly paying now for the bullish beliefs on part of the heads of the Farm Board, which led us to accumulate the wheat instead of disposing of it. Even as late as May 11th of this year, Chairman Stone, of the Federal FarmBoard said that an increase of 10¢ a bushel, or more, in the price of wheat was justified by the Government's estimate of 440,000,000 bushels of winter wheat; he further added that their reports showed even greater damage to hard wheat than the Agricultural Department's reports indicated. At that time our July wheat was 58 1/2¢, and instead of the price advancing 10¢ a bushel it is now 7¢ a bushel lower than when the prediction was made. We did not agree with the view at the time, and so expressed ourselves in our market letters, because wheat is a world's article and the price does not depend upon any section or any one state, but upon conditions all over the world, from Canada to Russia.

Furthermore, no consideration was taken of our immense carryover of over 400,000,000 bushels, and assuming that we shall raise all told 725,000,000 bushels of spring and winter wheat, we shall have a supply of 1,125,000,000 bushels. Estimating our normal consumption at 630,000,000bushels would leave us for export and carryover 495,000,000 bushels. Our net exports for the last four years have been as follows:

| | | | |
|---|---|---|---|
| 1929 | - | 142,000,000 | bushels |
| 1930 | - | 140,000,000 | " |
| 1931 | - | 95,000,000 | " |
| 1932 | - | 110,000,000 | " |
| | | 487,000,000 | " |

The 1932 figure is estimated, because final figures will not be out until the end of the month. In view of this total, we shall have on hand on July 1st a quantity of wheat above consumption requirements equal to what we exported during the last four years, which speaks for itself.

Winnipeg market was considerably stronger than ours today, but this was partly accounted for by the decline inCanadian exchange, which made over 1/2¢ a bushel difference.

Scattered reports came from Texas that yields so far are more promising, and threshing returns indicate that that state will raise more than was expected.

Weather everywhere is just ideal for the best development of the crop, and therefore, we think more reports of this kind will follow. This led to renewed liquidation during the session, and as the demand both domestic and foreign is very poor further declines took place. As long as the outlook continues for estimates everywhere to be increased instead of diminished, we cannot see much in sight for a recovery in prices, low as they are.

Clearances from North America last week made a very poor showing. The exports from the United States were 1,376,000 bushels while Canada shipped 6,980,000 bushels-- over five times as much, and the total from both places is 8,356,000 bushels.

6-7-32

Canadian marketings are still heavy, at 537,000 bushels, but believe after the bonus of 5¢ per bushel stops they will decrease. Stocks at Kansas City, Duluth and Minneapolis show a decrease so far this week of 202,000 bushels. Clearances all from Philadelphia were 260,000 bushels. Primary receipts were 573,000 bushels compared with 675,000 bushels last year.

Corn was independently strong. Oats and rye remained neglected.

UHLMANN GRAIN CO.

# DAILY MARKET LETTER

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FORT WORTH GRAIN AND COTTON EX.

June 8, 1932.

The same factors which brought about a decline of over 10¢ a bushel in a little more than two weeks were again a depressing influence today. Weather was generally favorable. The Liverpool market showed such weakness that it was apparent that Europe is not yet inclined to purchase wheat at our level of prices. At the close today Liverpool December wheat is hardly more than 1¢ over ours; therefore, it is absolutely impossible to even think of exporting wheat from this country while we are faced with practically the largest export surplus we ever had to dispose of.

The time has gone when we can blame, as an alibi, Russia for depressing the market, as was done last year, nor can we blame the bears for the decline. It must be apparent by this time to everybody in the trade that it is the tremendous accumulation of wheat since 1929 which is the cause of the present low wheat values, and not until the cause is removed is there any chance, or any hope, for any permanent advance.

There is an administration bill now before Congress for $50,000,000. for use by Secretary of Agriculture in financing export credits, and in addition there is a provision that the farm board shall be loaned $50,000,000. to be loaned to co-operative marketing associations. Of course, as the Farm Board itself has as a subsidiary a co-operative company, this money would gradually all flow into the Farm Board's chest; and we presume by this time their funds must be very low. However, this bill would better be called "Farm Board Relief" instead of "Farm Relief".

To show in plain figures the accomplishment of the farm board in its cotton dealings, we wish to point out the comparative exports before and during its administration. In the five pre-farm-board years exports of cotton from the United States were as follows:

| | |
|---|---|
| 1925 | $1,056,000,000. |
| 1926 | 969,000,000. |
| 1927 | 862,000,000. |
| 1928 | 827,000,000. |
| 1929 | 847,000,000. |

Then the farm board activities started. In 1930 the exports declined to $657,000,000. and in 1931 they were $420,000,000. In 1932, if we estimate that 7,000,000 bales will be exported, at present prices it would amount to $175,000,000. However, as the price was a little higher earlier in the year, it may amount to a little more than$200,000,000. This cotton was all sold for cash. The farm board is asking for more money to finance the export of wheat and cotton on credit. What a change in the picture. Similar comparisons could be made in wheat, except that wheat is not such an important article as cotton in dollar value.

Stocks at Kansas City, Duluth and Minneapolis show a decrease so far this week of 470,000 bushels. Clearances were 291,000 bushels. Primary receipts were 411,000 bushels compared with 1,051,000 bushels last year. Bradstreet gives clearances for the week as 7,172,000 bushels against 7,611,000 bushels a year ago; and a total this year of 296,000,000 bushels versus 338,000,000 bushels in 1931. If Canadian crops go thru that country alone could easily ship 300,000,000 bushels of wheat for export, so that not a bushel of wheat from the United States would be wanted.

Corn, oats and rye kept comparatively strong considering the weakness in wheat.

UHLMANN GRAIN CO.

# DAILY MARKET LETTER

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DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

June 9 1932.

Extremely weak Liverpool cables were again the dominant factor today in shaping wheat values. Our frequently expressed opinion is gaining ground, that there can be no permanent hope for an increase in the price of wheat until two things happen: first, that our prices will be nearer in line with our competitors who sell wheat abroad; second, Europe must give a better indication than they are now doing that they will purchase United States wheat on a large scale, which of course can only come about if their prices increase to our levels, or unless we go down to theirs. The difference between the two markets remains too close together.

Weather continues to be ideal, but the trade, as usual on the day the Government comes out with a report, was rather limited. It is almost useless to make guesses of what the report will be, because--- the actual figures will be known soon after this letter is written and before it reaches many readers. Nevertheless, we do not think we will be much out of the way when we assume that the report on winter wheat will probably show about 430,000,000 to 440,000,000 bushels, and a very high condition for spring wheat. However, whatever the report will show it should not be forgotten that the wonderful weather we have had since the compilation by the agents, should easily add a couple of bushels per acre to the final yield. When we consider that last year the Government raised its own figures from June 1st to the final, 138,000,000 bushels, we would not be surprised if this season half as much would be added to today's figures, making the total winter wheat crop probably close to 500,000,000 bushels.

We observed in the newspapers that Mr. Thomas R. Cain, President of the Farmers' National Grain Dealers Association, representing a great many farmers, is making protest against granting further funds to pursue the policy of the farm board, and he so wired to President Hoover. We figure the Agricultural Marketing Act was passed about three years ago; assuming the largest part of the $500,000,000. which was granted had disappeared, and on the assumption that there would be $50,000,000 left, there must have been a loss of $450,000,000. This in 900 business days would amount to a daily loss of $500,000. Granting the farm board officials work eight hours a day, there would be an hourly loss of $60,000, or about $1,000 a minute. Of course the tax payers also do not like a continuation of such operations unless it can be shown that the farmer really has been helped, but to us it would seem difficult to furnish proof with the low prices existing at the present time.

During the day the market had lots of sharp sinking spells, with small recoveries from the low points, the final figures being about 1/2¢ lower than yesterday.

Stocks at Kansas City, Duluth and Minneapolis show a decrease of 585,000 bushels, which would indicate to us that the visible supply might decrease the coming week unless more wheat is brought in fromCanadian ports. Clearances were light- 136,000 bushels. Primary receipts were very small- 398,000 bushels compared with 777,000 bushels last year. Canadian marketings were 460,000 bushels.

Corn, oats and rye continued to be reasonably firm considering the weakness in wheat.

UHLMANN GRAIN CO.

# DAILY MARKET LETTER

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FORT WORTH GRAIN AND COTTON EX.

June 10, 1932.

Yesterday's government report was sensationally bullish on winter wheat, also showed a much poorer condition on spring wheat than had been expected. The estimate of 411,000,000 bushels of winter wheat as of June 1 is almost calamitous to the farmer, as is also the estimated yield of 12.7 bushels per acre. Never since 1917 has there been a smaller yield than this, and in only that one year did it equal that low figure.

Today's detailed report indicating how the figures were arrived at, made a still more extraordinary showing. For instance, Kansas, with a little over 72,000,000 bushels, would mean considerably less than one-third of last year's crop. Nebraska with 18,000,000 bushels, Oklahoma 32,000,000, Texas 32,000,000, and similar estimates all along the line, would indicate almost disaster for the farmer in winter wheat.

As far as spring wheat is concerned, conditions have been ideal and it was expected that the report would show this, but the condition was actually given as under average.

Analyzing this report, it is well to bear in mind that the Government does not claim, in making its June report, to be able to actually forecast the results. This is clearly shown when the final estimates during the last five years have differed so greatly from those issued in June. In four years just passed the variation has been as follows:

| | June estimate | Final estimate | Increase |
|---|---|---|---|
| 1927 | 537,000,000 bu. | 552,000,000 bu. | 15,000,000 bu. |
| 1928 | 512,000,000 " | 579,000,000 " | 67,000,000 " |
| 1930 | 532,000,000 " | 604,000,000 " | 72,000,000 " |
| 1931 | 649,000,000 " | 787,000,000 " | 138,000,000 " |

In one year, 1929, the final estimate was smaller than that of June: viz.,

| | | | |
|---|---|---|---|
| 1929 | 622,000,000 | 578,000,000 | 44,000,000 |

All the government claims to do is to express an opinion of what the crop is likely to be on the assumption that we shall have average weather from the time its report is issued until harvest. In fact, it makes allowance for normal deterioration, and if such deterioration does not occur due to conditions better than normal, the estimate of yields must be increased later. The weather has been extraordinarily favorable since the material was gathered for this present report, and we figure that good weather in June adds easily 2 bushels per acre, which in this case would mean about 64,000,000 bushels. Consequently, we shall base our estimate of future values on the assumption that the winter wheat crop finally will be 475,000,000 bushels to 500,000,000 bushels.

At the time our government report reached Liverpool, an extraordinarily favorable report also arrived fromCanada, offsetting the bullish effect which ours would otherwise have had; and that market finally closed practically unchanged from yesterday, and their December wheat is actually lower than ours.

6-10-32

As a confirmation that our optimistic opinions on a better outturn of winter wheat are likely to prove correct, we wish to mention that we have today already received messages from Texas, where they say that the late rains have easily added 2 bushels per acre to the previous estimate; also from Oklahoma, Enid stating that where a yield of 10 to 12 bushels per acre was estimated the actual threshing returns now show from 15 to 20 bushels per acre.

With these conflicting ideas as to the size of the crop, fluctuations were many today. Toward the close the market firmed up on a better stock market, which in turn came about on a report that the bonus bill has no chance of enactment.

Clearances were very heavy, totaling 868,000 bushels. Primary receipts were very light, 371,000 bushels versus 611,000 bushels a year ago. Stocks at Minneapolis, Duluth and Kansas City show a net decrease of 507,000 bushels, indicating that there might be quite a good decrease in the visible supply.

Corn showed great independent strength. Oats and rye while rather inactive also were dealt in at higher prices.

UHLMANN GRAIN CO.

# DAILY MARKET LETTER

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FORT WORTH GRAIN AND COTTON EX.

Scot

June 11, 1932.

Liverpool wheat cables were very strong today, but their quotations have declined so much lately that it was almost a foregone conclusion that with our strength of yesterday there would be a turn in their market.

The feeling overnight had been rather bullish; strength in the stock market gave some encouragement, and the trade had the government's estimate of 411,000,000 bushels in mind. There is no question but that if a crop as poor as indicated should actually materialize, it would give us a small farm movement during the whole next twelve months. However, last year the government raised its estimate finally about 20%, and with the extraordinarily favorable weather we have had this year, in our opinion, it is justifiable to think that this year the raise might be at least 10 to 20%, or say possibly 15%, which would give us about 470,000,000 bushels of winter wheat. Then the spring wheat conditions also must be greatly improved; consequently, what looked like a calamity on June 1st might be fairly reasonable when the total bushels finally come on the market, particularly when the large carryover is considered.

It therefore behooves the trader in wheat now to decide for himself whether he is willing to venture on the pessimistic report of the government, or take a more optimistic view on the outlook, as we do.

To show how easily it would be for the government to show a large increase in its next report, we point out that the government estimates the crop for the state of Oklahoma only 9 bushels per acre. Now, outside of Texas, Oklahoma is the first state from which we received threshing returns, showing 15 to 20 bushels per acre. Of course, we have to await a wider threshing area before we come to any positive conclusion, but yet straws indicate a much bigger yield in that state.

The long-time weather prediction for the Mississippi Valley and the great plains is for a few scattered showers, mostly during the first half of the week and temperatures near or slightly above normal. We consider this outlook favorable for the best development of the wheat crop.

While our market was quite strong the early part of the session in sympathy with a firmer stock market, it lost ground as soon as Wall Street enthusiasm subsided. We really do not think that the two will have much in common, unless there would be such advances in stock values that the whole sentiment would change, and there would again be big increases in wealth.

Stocks at Kansas City, Duluth and Minneapolis for the week show a decrease of 420,000 bushels, indicating a moderate decrease in the visible supply. Primary receipts were 488,000 bushels compared with 588,000 bushels a year ago. Clearances were only 8,000 bushels, all from New York.

Corn, oats and rye showed very small fluctuations and closed almost unchanged from last night.

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June 13, 1932.

News was rather colorless today. Liverpool opening wheat cables were about as expected- a trifle lower, but when our market declined they followed us immediately and finished up with quotations about 1¢ lower than on Saturday.

World shipments were much the same as last year and last week- about 15,000,000 bushels, and it seems the world is getting along very nicely with this quantity until the new wheat comes on the market.

The chief influence which caused the decline was the exceptionally fine weather everywhere. This refers to Canada, our spring wheat territory, as well as the winter wheat states and Europe. No new complaints from anywhere are received, and no matter what damage may have been done earlier in the season wheat must have improved since the last Government report was published. This, we presume, is the reason why prices practically have declined again to the level where they were before the sensational estimate onpart of the Agricultural Bureau on winter wheat, which scared shorts and encouraged longs. It is too early yet to tell much about threshing returns, but during the next ten days it will be easier to form an opinion as to how much the previous estimate will have to be raised.

So far reports are contradictory. We received twoletters today from the same state: one party making an estimate as low as 70,000,000 bushels for Kansas, while the other party still believes that we might raise between 100 and 110,000,000 bushels.

In the meantime milling business is at a very low ebb, and export sales of United States wheat are very limited, while Canada, which has the preference on account of its low price, is just doing a normal business and nothing extraordinary. We still believe that the Carryover inCanada will be very large. So far on an estimated crop last year for the three provinces of 284,000,000 bushels, farmers' deliveries have been 246,000,000 bushels, or only 38,000,000 bushels less. When it is considered that about 55,000,000 bushels are needed at home for seed, feed, and other purposes, and never go to terminal markets, the crop might have been under-estimated at least 17,000,000 bushels, and as much more as will come forward up to August 1st, or in seven weeks, assuming farmers will hold about as much wheat this year as they did last. Considering that Canadian marketings were 690,000 bushels today, it does not look as though supplies of wheat onCanadian farms were nearly exhausted.

Primary receipts of wheat were light at 506,000 bushels compared with 897,000 bushels last year. Wheat visible supply decreased 2,792,000 bushels against a decrease a year ago of 1,483,000 bushels, and the total visible is now 25,000,000 bushels less than in 1931. Wheat clearances were light at only 88,000 bushels.

Corn continued to show great strength even when wheat declined, but oats and rye were very much neglected and closed lower.

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June 14, 1932.

Liverpool wheat cables were extremely discouraging today; their market before our session opened had declined about 1 1/2¢ per bushel, which at this price means quite a percentage in the value, and considering that Liverpool December wheat is already selling at about the same price as our December it is discounting the present deplorable situation very severely. It naturally had its reaction here, and our market opened for some futures at the lowest prices on the crop. There was some short covering which steadied prices, and during most of the session the market behaved reasonably well and closed at about 1¢ per bushel decline.

There is not a single holder now of wheat who purchased it at any period since the Farm Marketing Act was passed and held it up to the present time, who has not lost on the transaction. On October 5th, 1931, December wheat sold at 44 5/8¢, but if carried until now, or transferred, there would have been no profit in same. The same refers to May wheat.

Even the farmer has come to the conclusion that governmental interference with the grain trade and with business generally has to share some of the blame for the present depression. Some think that the experiment was worth the price if our future law-makers are willing to admit the mistakes which were made and start a new era, leaving the farmer and the grain trade to solve their own problems.

Under ordinary circumstances the present low price of wheat probably would have discounted all the bearishness in the situation, but with the Farm Board still holding over 100,000,000 bushels of cash wheat and futures, and with the uncertainty as to when it will be dumped on the market and at what sacrifice prices they will offer it to Europe, any prediction that we have reached bottom may still be premature.

Threshing returns from the Southwest are coming in much more favorably, and it is becoming quite clear that the crop outturn will be very much larger than anticipated. If so, we shall need continued export business, or otherwise in a year from now we shall not be any better off than at the present time.

Last week's exports of wheat, according to Broomhall, are as follows: United States shipped 2,374,000 bushels, and Canada 4,960,000 bushels. We are still only fourth among the big exporters- Argentina, Australia and Canada making greater efforts to dispose of their stocks than we are.

Primary receipts were rather light today at 300,000 bushels versus 835,000 bushels last year. Stocks at Kansas City, Duluth and Minneapolis show a net decrease thus far of 148,000 bushels. Clearances were very small- 16,000 bushels, all from New York. Southwest receipts are picking up somewhat- there were 40 cars at Ft. Worth, of which 37 cars were new wheat. Canadian marketings were 747,000 bushels.

Trade in corn, oats and rye remained extremely light, and fluctuations were unimportant, except in rye, which declined quite sharply. There were a few loads of corn sold for export, which created a better sentiment, as it may be the forerunner of a very much larger business.

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# DAILY MARKET LETTER

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FORT WORTH GRAIN AND COTTON EX.

June 15, 1932.

Liverpool wheat cables were surprisingly weak before our session opened today, declining about 1¢ per bushel, and indications were for still lower prices here in consequence. All other news was favorable for the development of crops everywhere. Nevertheless, there were buying orders in the market practically at last night's closing prices, and they were generally attributed to eastern interests. This buying kept up during the session, prices advanced further, privilege sellers and shorts were compelled to cover, and the whole atmosphere had completely changed in comparison with yesterday's depression. The market gave a good account of itself and closed about 1 1/2¢ per bushel higher than yesterday. Liverpool also took notice of our strength and advanced almost 2¢ per bushel from the low.

The important thing, however, is to judge whether the advances are justified, and whether the eastern buying will continue for the present. Finally, of course, our wheat must go into consumption on a larger scale, or else the pressure will become greater as soon as the new crop commences to move.

In order to cure the evil of low prices, it will be necessary to analyze the elements which led to the situation; and until we hav an accurate diagnosis of these it will be difficult to make the necessary corrections.

Starting with the latest figures on the world's visible supply of wheat, amounting to about 384,000,000 bushels on June 10 compared with 387,000,000 bushels at the same period last year, it is very plain that we consumed about as much last year as we produced, therefore the extremely low prices cannot be attributed to large world's overproduction. Nor is there any reason to believe that North America will produce more wheat this year than last. In all probability the larger crops in our spring wheat belt and in Canada will be about offset by the shortage in winter wheat yields.

In Europe, several countries such as Germany and France, will have larger crops than in 1931, but it is generally surmised that Russia will have less, so there will again be an offset. Nothing of course is known about the southern hemisphere, and as the yields per acre were extremely large there last year, they will do well if they produce as much again this year.

In former years, when production and consumption were about equal and the carryover normal, prices were 25 to 30¢ higher than at present. Therefore, we must assume that the only cause for present prices is the extremely large carryover, particularly in the United States; because this is the only thing which is different from previous years when higher levels existed.

As a cure, therefore, we suggest acknowledgment of our errors and admission of the failure of the attempted stabilization thru continued buying of wheat to uphold prices. We must adopt different methods by seeking to compete with other exporters and marketing our wheat as they do. The importing nations of the world still buy about 15,000,000 bushels of wheat a week. There was a time when the United States was the largest exporter. We gradually declined to second, then to third, and now we are in fourth place.

6-15-32

Threshing returns from the winter wheat belt indicate to us that the crop finally will be very much larger than the 411,000,000 bushels predicted by the Government in its June report. The average yield per acre was estimated at only 12.7 bushels, while we are receiving many reports of 15 bushels and upward, some as high as 25 to 28 bushels per acre in Texas and Oklahoma.

Primary receipts were exceedingly light at 279,000 bushels versus 879,000 bushels last year. Clearances amounted to 212,000 bushels. Stocks at Kansas City, Duluth and Minneapolis decreased 219,000 bushels so far. Bradstreet's export clearances show 6,873,000 bushels of wheat and flour from all North America compared with a little over 6,000,000 bushels last year. The total to date with only two more weeks to come shows 303,000,000 bushels compared with 344,000,000 in 1931, or 40,000,000 bushels less. If Canada's crop comes through there will be no difficulty for that country alone to ship as much as the total from both United States and Canada this season. Canadian farm marketings were still very heavy- 914,000 bushels for the day.

Corn was extremely strong; more export business is in sight, and we believe this cereal has great merit particularly should there be the usual crop scares later on on the new crop.

Oats and rye also closed considerably higher.

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# DAILY MARKET LETTER

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FORT WORTH GRAIN AND COTTON EX.

June 16, 1932.

The wheat market was not very interesting today; it advanced easily at times, and then declined as rapidly, all without any new causes. Liverpool also showed very small fluctuations- a trifle lower at the close, and of course we continue to be way out of line for export business.

Everybody is guessing what the final crop is likely to be. Some reports were circulated that on account of the low prices some wheat might not be harvested. Then again it was claimed that some will be very low test weight, all of which makes matters quite uncertain. We feel we also want to make a guess as to how this year's wheat crop will compare with last year, and are aware of the fact that many things might happen between now and harvest to change the picture in our spring wheat territory and Canada, where just now everything is highly promising. Nevertheless, we have some foundation for making a reasonable forecast, altho this may easily vary in the end 25 to 100,000,000 bushels.

Last year the official figures for the United States gave us a production of 892,000,000 bushels and Canada 304,000,000 bushels, a total of 1,196,000,000 bushels. From the threshing returns received so far this season, we believe that Kansas, Oklahoma, Texas and Nebraska, on about 17,000,000 acres, for which the government estimated a probable yield of 154,000,000 bushels, might raise 25 to 50,000,000 bushels more than this figure. The spring wheat condition must have improved greatly since the last surveys were made, and we believe the United States can easily raise 725,000,000 bushels of wheat; and if Canada produces 475,000,000 bushels, a total of 1,200,000,000 bushels for North America, there would be as much wheat on this year's crop as last season, plus the additional carryover.

Toward the close of the session a very important statement came out by Mr. Stone, Chairman of the Farm Board. According to same, their holdings of wheat have been reduced to 88,000,000 bushels, and the Red Cross has still a claim for 10,000,000 bushels; so that in any case there are only 78,000,000 bushels to be disposed of outside of the futures which amount to 25 to 30,000,000 bushels. Should the government order some more wheat to be given away to the Red Cross, of course, then they would practically be out of the cash wheat business, and it would be up to the trade to see that our surplus be sold abroad, both wheat and flour, in which case normal conditions would be restored in due course of time. There is nothing to indicate that the Farm Board is likely to be a buyer of wheat again, and we think they have learned the lesson that one cannot accumulate commodities and hold them to help advance prices. The best anybody can do is to try to stimulate our exports and meet competitive markets so that we will get rid of our surplus wheat in years of plenty, and then in years of short crops farmers will reap the benefits.

Primary receipts today were very light- 419,000 bushels compared with 750,000 bushels last year, indicating that no new wheat is going to terminal markets to amount to anything. Stocks at Kansas City, Duluth and Minneapolis show a big decrease- 752,000 bushels. There were no clearances.

Corn and oats hardly changed; rye was a little lower, and trade in all quite insignificant.

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# DAILY MARKET LETTER

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FORT WORTH GRAIN AND COTTON EX.

June 17, 1932

Liverpool cables were quite strong today: they showed advances before our session opened and closed at the top, improving about one cent per bushel while we decline two cents, thus bringing us, to that extent, nearer a parity. The strength in Liverpool was partly due to a lower sterling quotation and partly because of extremely light shipments from the Southern Hemisphere compared with last year.

It may be taken for granted that for the next six months Australia and Argentine will ship only very modest quantities and the United States will be a negligible factor as long as her prices are comparatively higher than Winnipeg and Liverpool. Therefore, the largest part of the burden of supplies will be shifted to Canada for six months. Of course in a few months from now Russia might become somewhat of a factor; but for the present it is not safe to figure that she will be more disturbing than last season, and possibly less.

European requirements, we think, will be considerably less than in 1931. We figure France and Germany alone might raise 50,000,000 bushels more this season; and, generally speaking, prospects everywhere on the Continent are reasonably favorable.

Liverpool July wheat, even after today's adjustment, is only 4 cents higher than ours, and this is really the weakest link in the chain.

Today there were the first signs of the new crop movement. We ourselves purchased a sizeable quantity ; and we notice receipts in all southwestern points show a considerable increase and some of these receipts must be new wheat: for instance, Wichita received 87 cars; Hutchinson 45 and Fort Worth 68.

At one time today our market was quite strong on account of purchases of reasonable amounts on part of eastern or local traders. However, as soon as hedging sales come into this market, such purchases will have absolutely no affect unless they are offset by corresponding sales to consumers, either domestic or export. In former years at this time sales had already been made abroad, but there is none of this sort of business going on now.

Threshing returns are still not very conclusive; we are getting many reports about yields of 15 bushels per acre, but then again some are runing as low as 6 to 8 bushels per acre, and of course much will depend on the proportion of acres which will show good or bad yields.

We consider the statement of Chairman Stone of the Federal Farm Board as entirely defensive. He claims that the balance of the revolving fund, amounting to some 25 to 35,000,000 dollars, is sufficient and that he will not be obliged to sell the wheat any faster than he had intended. The inference is that wheat must be continually sold as planned, otherwise the funds might not be sufficient. In other words, the Farm Board wheat, less the quantity to be given to the Red Cross, cannot be carried indefinitely as in the past few years, or storage charges would consume the remainder of the revolving fund in the treasury. We conclude, therefore, that the Farm Board from now on will be an orderly liquidating concern.

Toward the latter part of our session more attention was paid to the extreme fine weather everywhere, also the low purchasing power, and when liquidating sales started the decline came very rapidly.

Canadian marketings continue to be heavy for the supposed size of the crop: 660,000 bushels. Clearnaces are quite heavy, 411,000 bushels. Stocks at Kansas City, Duluth and Minneapolis show a decrease of 908,000 bushels, indicating a good size decrease in the visible on Monday. Primary receipts are a little better, but still light, 458,000 bushels compared with 686,000 bushels last year.

Corn, oats and rye all sympathized with the weakness in wheat and closed lower.

UHLMANN GRAIN CO.

# DAILY MARKET LETTER

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FORT WORTH GRAIN AND COTTON EX.

Sat
June 18, 1932.

Liverpool wheat cables were extremely discouraging today, and it looks to us as if Europe is more alarmed than the situation justified. With Liverpool July wheat selling at about 50¢, a price which is unremunerative to the farmer anywhere in the world, a situation has been created which in time must bring its own solution.

While so far we have not taken much stock in the idea that some of the wheat might not be harvested, should this decline in price continue , no doubt, some of the poorer crops will positively be left in the fields, as it would not pay the expense of harvesting and marketing.

Nevertheless these weak cables brought renewed liquidation, and the market closed lower. However, the decline was orderly, and while weather at the present time is too favorable, and the general outlook too discouraging, we think it is a little hazardous to sell wheat short; the price, in our opinion, having discounted most of the factors which are responsible for the low prices. It is quite possible that wheat might lose its carrying charge, and September wheat might sell as low as July wheat is now selling, but this would only mean a decline of 2 1/2¢ in two months. As far as the price itself is concerned, we hardly think it can remain very much lower for any prolonged period, altho nobody is wise enough to predict what might occur under special conditions temporarily. Any one of at least half a dozen factors might give us a temporary rally: for instance, worse weather in Canada, our Northwest or in Europe, an improvement in the financial situation or better business conditions, etc.

Harvesting returns are still quite conflicting. A very reliable party from Dallas, Mr. Perry Burrus, believes that Texas can be depended on for 35,000,000 bushels of wheat, which would be about 4,000,000 bushels additional, or 12 1/2% more than the Government's estimate. Then we get some reports from isolated spots indicating very poor yields. Therefore, we have come to the conclusion that it is wise to wait a while before we determine whether the poor or good reports are in the majority or minority.

In the meantime receipts in the interior points are increasing; Wichita received 84 cars, of which 16 cars are new wheat, Hutchinson 48 cars and Ft. Worth 105 cars.

The Government published today its estimate of the probable carry-over on July 1st, including United States wheat in Canada, giving 387,000,000 bushels. This figure coincides approximately with what we have furnished to the trade right along- 400,000,000 bushels, which quantity was somewhat reduced on account of wheat given to the Red Cross for animal feed.

Primary receipts today were still light- 475,000 bushels compared with 876,000 bushels last year. Clearances were heavy, amounting to 441,000 bushels. Stocks at Kansas City, Duluth and Minneapolis show a decrease of 950,000 bushels, indicating a good decrease in the visible supply on Monday.

Corn was considerably firmer, there having been a better domestic demand. Oats and rye continued to be neglected.

UHLMANN GRAIN CO.

# DAILY MARKET LETTER

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MINNEAPOLIS CHAMBER OF COMMERCE
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DULUTH BOARD OF TRADE
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FORT WORTH GRAIN AND COTTON EX.

June 20, 1932.

Many in the trade undoubtedly will well remember the time when it was considered that whenever wheat would sell at $1.00 a bushel it was a safe investment. Consequently when wheat last year gradually declined to about half that price we concluded that much of the bearishness in the situation had been discounted, and we quote in part from our letter of August 7th, 1931, when September wheat sold at 50 3/8¢, as follows:

> "Taking a long look ahead, we feel that it is time to get off the short side of wheat at these levels. By this we do not mean that wheat will advance today or tomorrow, or perhaps next week or next month. Nobody can foretell the immediate swings. It was the long view which we had taken when we assumed a bearish attitude on the market, figuring that the increased acreages would make the bull side uncomfortable.
>
> Now we think a readjustment will come very fast. This year's winter wheat acreage is 42,000,000 acres. We think it more than likely that a reduction due to the present low prices might be 10%, or 4,200,000 acres, leaving 37,800,000 acres. The average winter killing is about 10%, or 3,800,000 acres, and reduces the standing acreage to about 34,000,000 acres. The average yield is about 15 bushels per acre, or 510,000,000 bushels compared with 744,000,000 bushels this year. Should there be any such prospects next year in February or March, traders would get very much excited at these low prices."

Now after this forecast, what actually happened was as follows: We estimated the standing acreage for this year about 34,000,000 acres; in spite of the abandonment which took place to an abnormal degree, the Government's figures are 32,000,000 acres. Our estimate of the winter wheat crop was 510,000,000 bushels, and the June estimate of the Agricultural Department is 411,000,000 bushels, but as great improvement has taken place since that time we believe the final report might show a yield of 460 to 470,000,000 bushels. In the light of these facts, therefore, we feel that we stated the situation correctly at the time.

As far as the market is concerned, it had some declines after August 7th, but later on advanced to a price of 73¢a bushel. We considered during this period the advance had been overdone and looked for lower values; and now we are again confronted with the 50¢ level.

We, therefore, mentioned in our Saturday's letter, June 18th, that in our opinion, the price had discounted most of the factors which had been responsible for the low prices, and we have not changed our opinion on that score. Of course, nobody at any time may be too sure of himself in talking about the future. The present price, in our opinion, discounts good crops in the spring wheat territory, as well as in Canada and in Europe, but it does not discount bumper crops everywhere, should they materialize, and finally be followed by good crops in Australia and Argentina, but these wonders are just as scarce as the other extreme- great failures. We have very seldom seen spring wheat crops go thru harvest without some disappointment, and we believe that either the cry of black rust or its actuall appearance, wet harvest either here or in Europe, would give us at least temporary rallies.

June 20, 1932

Liverpool showed quite a good deal of strength today, and their prices, as we mentioned before, are so low that we believe they would follow easily if they were given any encouragement from here.

Wheat clearances were light today at only 36,000 bushels. Primary receipts are larger than heretofore at 1,004,000 bushels, compared with 1,030,000 bushels a year ago. The visible supply was a disappointment- decreasing only 1,396,000 bushels against 3,141,000 bushels in 1931, and the total is now 23,000,000 bushels less than it was at that time. Canadian marketings were still good at 478,000 bushels.

There were extremely heavy rains in the Southwest, which might delay the harvest, probably will reduce the quality of the wheat in some places, and if continued might have some influence on the quantity. There were many reports that some wheat might not be harvested, but this we think will only be true to a large extent should prices decline further.

Corn, oats and rye were all stronger and higher in sympathy with wheat.

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# DAILY MARKET LETTER

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FORT WORTH GRAIN AND COTTON EX.

June 21, 1932.

Trade in all kinds of grain was extremely dull today. It seems that in view of the new Government tax, which went into effect today, traders, speculators and scalpers all went on a strike. The fluctuations were correspondingly small, and the total turnover at a minimum. Consequently, the anticipated revenues are not likely to be realized, but a profitable business gradually is being destroyed, so the taxes which would be collected from incomes and accumulations of capital will also disappear. Therefore, we do not believe this system will work. It is bad enough that capital and incomes have to be taxed, but if actual trading is also to be artificially curtailed thru excessive taxes, with our lost export business, what is there left from which to obtain revenues.

Cables also showed hardly any change, and if speculation should be reduced to a minimum here, we shall have to look for inspiration again to the cash and export business. We, therefore, wish to point out exports of wheat and flour from United States ports for the years 1928 to 1931 inclusive as follows:

| | 1931 | 1930 | 1929 | 1928 |
|---|---|---|---|---|
| July | 17,254,000 | 16,187,000 | 13,575,000 | 7,064,000 |
| August | 11,781,000 | 24,168,000 | 16,936,000 | 14,588,000 |
| Sept. | 11,588,000 | 19,070,000 | 18,337,000 | 22,529,000 |
| Oct. | 16,305,000 | 12,296,000 | 14,677,000 | 28,272,000 |
| TOTAL | 56,928,000 | 71,721,000 | 63,525,000 | 72,453,000 |

It will be observed that export business during the months of July to October were usually very large, and the size of it this year will be very largely influential in making prices.

Foreign markets have shown a little firmness of late, but for the present we are still out of line. Argentina and Australian shipments from now on we assume will be very light, so without any doubt Europe will have to look to North America for perhaps two-thirds of her supplies for the next six months, and it is to be hoped that our market will get in line with Canada so we can do our share of the business.

The weather in the Southwest continues to be unfavorable, as there were additional heavy rains in many of the states where it interferes with harvesting. However, more favorable weather is predicted. In any case, there has been enough rain to at least delay the harvest, and undoubtedly some damage has been done to the quality, if not to the quantity.

Primary receipts were still light, probably due partly to bad weather, at 411,000 bushels compared with 619,000 bushels last year. Canadian marketings were heavy at 512,000 bushels. Stocks at Kansas City, Duluth and Minneapolis showed a decrease of 69,000 bushels. There were no clearances whatsoever today.

Lats week's exports of wheat, with Portland, Oregon, missing, were only 1,526,000 bushels from the United States, while Canada shipped 6,458,000 bushels, making a total clearance of 7,984,000 bushels.

Corn, oats and rye all sympathized with wheat and closed lower.

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# DAILY MARKET LETTER

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KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

June 22, 1932.

There were no radical changes overnight to influence our wheat market. The precipitation in the Southwest, where harvesting is going on, has stopped, temperatures everywhere are normal for the time of the year, and no excessive heat anywhere; consequently, the wheat plant is making good progress.

The same reports come from Europe, particularly from the large producing and consuming countries, like France, Germany and Italy, where the outlook is considerably better than last year. Reports from Russia are still very discouraging, but there is always a certain mistrust about that country. Nevertheless, we hardly believe that Russia will be much of a factor the coming season as an exporter. The season opens with plenty of wheat in sight and comparatively poor demand. This is evidenced by the great independence of Europe and the low quotations from Liverpool. That market showed another decline of about 1¢ per bushel, altho their prices are so very low already, but possibly 1/2¢ of this decline may be attributed to firmer cables, sterling exchange having improved perhaps three points.

We have tried to emphasize the more constructive side of wheat since the price declined to below 50¢ a bushel, which everyone appreciates is extraordinarily low, as we feel that the country needs some stimulant. However, if our own business is a criterion, the domestic demand is very poor; there is no foreign business in sight; there are large accumulations from previous crops, and we ask ourselves the question, Who will buy the new wheat when it comes to market, except at continued reduction in prices? Of course, a level may be reached at which the farmer will refuse to sell. All last year when corn prices were so very low, the movement was very small, particularly in the Southwest where it seems facilities existed to carry good quantities whenever the farmer was indisposed to sell. However, in order to become real optimistic one has to see a better demand. Nothing but daily purchases from abroad so that hedges would have to be removed from this market would give us a permanent stimulant.

Now we find in the year starting August 1st, the world shipments to the importing countries were exactly the same as a year ago- 712,000,000 bushels, up to June 17th. It seems that Europe took 15,000,000 bushels less and ex-Europe 15,000,000 bushels more. It is not likely that the requirements will be as large the coming season.

Canada at the present time promises to raise 150 to 250,000,000 bushels more than in 1931, and as her consumption is unchanged, this extra wheat must be sold abroad. In spite of her short crop last year Canada's visible supply is 15,000,000 bushels larger, altho farmers' holdings probably are considerably less than they were a year ago. Nevertheless, this is a very large quantity to be carried over by a country whose home consumption is only 120,000,000 bushels at the outside.

At one time the market had another great sinking spell from which it recovered, there being rumors that conditions for the development of black rust are favorable. We believe it is much too early to consider this as a market factor.

Primary receipts of wheat were 510,000 bushels compared with 918,000 bus. last year, and corn only 195,000 bus. compared with 661,000 last season. Kansas City, Duluth and Minneapolis stocks decreased so far 411,000 bus. Canadian marketings were 544,000 bus. Clearances were light at 22,000 bus. Bradstreet's export clearances from North America were 7,721,000 bus. compared with 7,000,000 bus. last year, and from July 1st to date, 311,000,000 bus. against 352,000,000 bus. in 1931.

Corn, oats and rye hardly changed. The total trade is extremely small. The new government tax penalizing trading on exchanges is very detrimental to a free market.

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# DAILY MARKET LETTER

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FORT WORTH GRAIN AND COTTON EX.

June 23, 1932.

Liverpool wheat cables were reasonably strong this morning, following our late advance of yesterday. We do not believe that Europe can any longer be independent of North American values, but as long as Canada is under-selling us they will pay more attention to that market than ours.

Argentine shipmentx were again quite modest- only a little over 2,000,000 bushels; therefore, if the southern hemisphere and sundry countries clear only about 5,000,000 bushels a week, North America would, at least for the next few months, be called upon to furnish 10,000,000 bushels, to make up the 15,000,000 bushels weekly import requirements for the various countries. However, as long as Canada is underselling us, the largest quantities of wheat cleared will probably come from there, and not from the United States.

There was further rainfall in Texas, where dry weather is needed for the harvesting of the crop, but the Southwest in a general way was clear, just the kind of weather that is desired at the present time; no great heat and seasonable temperatures. We think next week will be the beginning of a larger movement and unless same is offset by exports, stocks will start to increase again, after having decreased for about two or three months. This will bring additional pressure on the market, and it would require some offset in the way of crop scares in the spring wheat territory, Canada or Europe, to bring about additional speculation to counteract the new hedges.

There has been great efforts made the last few days to induce buying on scare reports from the Northwest, it being claimed that there is fear of black rust visitation. However, the danger, as far as we can see, is no greater than usual, and there is no justification yet for the belief that the spring wheat crop is in danger of being materially reduced on account of black rust. In fact, reports from very reliable houses pronounce the outlook for the present as extraordinarily favorable. It must be borne in mind that we have about ten years of black rus scares, to one year where the actual quantity harvested finally is reduced. very much.

Stocks at Kansas City, Duluth and Minneapolis so far show a decrease of 731,000 bushels. Canadian marketings were 627,000 bushels. Clearances were light at 84,000 bushels. Primary receipts of wheat were 643,000 bushels compared with 774,000 bushels last year.

Corn acted firm during the whole session, without making much progress in the way of higher prices. Oats and rye continued to be neglected.

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# DAILY MARKET LETTER

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FORT WORTH GRAIN AND COTTON EX.

June 24, 1932

There was very little news from abroad today, which is an indication that the European crops are moving along nicely. The cables showed no difference in sentiment, and they were practically unchanged to the nearby futures and a trifle higher for the deferred ones. Argentine and Australian shipments indicate only a little under 4,000,000 bushels cleared this week, and this together with the small shipments from the Balkan states and about 8,500,000 bushels from North America would give the importing nations less than 13,000,000 bushels and considerably less than their estimated requirements.

So far on this crop they have averaged about 15,000,000 bushels a week, and the general supposition had been that before their new crop came on the market they would be a trifle more. Under these circumstances we expect reasonably firm cables and we believe that before long an adjustment between Liverpool futures and ours will come.

Meanwhile, the moisture reports in Canada lead us to believe not only that the crop is promising well at present, but also that it can stand a great deal of adverse weather without serious harm. The rainfall as compared with the average and last year is as follows:

| | 10-yr avg. | This year | Last year | Past week |
|---|---|---|---|---|
| Manitoba | 5.95 | 5.03 | 1.61 | 1.00 |
| Saskatchewan | 5.21 | 4.79 | 1.54 | .35 |
| Alberta | 6.10 | 6.18 | 3.50 | .47 |

There was less talk today of black rust damage or apprehension, and it is our personal opinion that there is no more danger at present than usually at this period. It is always a possibility, but perhaps the danger is less this year because the crop is so well advanced. We have seen years of black rust prevalence when the damage was but slight, due to the fact that the crop had matured so rapidly.

Texas and Kansas have had more rains, but we believe that this causes delay and damage to the quality more than it affects the actual quantity. We are receiving a great variety of reports on threshing returns, some of them extremely poor; but those may come from the worst districts. The yields vary so greatly and the matter is so complicated, that we have not yet been able to reach any definite conclusion on the Kansas prospects. Perhaps when the private reports come in, in a week or so, they will throw some light on this question.

Trade was extremely small and there is very little inducement to trade at this time. It is difficult to boost prices with the small demand, both domestic and export. On the other hand, those who have not sold wheat before naturally would hesitate to be aggressive on the bear side now, with quotations at their present low points.

Stocks at Minneapolis, Duluth, and Kansas City show a decrease of 711,000 bushels so far this week. Canadian marketings 503,000 bushels. Clearances were very light at 70,000 bushels. Primary receipts very light, 423,000 bushels compared with 1,092,000 last year.

Corn, oats, and rye all closed lower on very small trading.

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# DAILY MARKET LETTER

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FORT WORTH GRAIN AND COTTON EX.

Sat
June 25, 1932.

Liverpool wheat quotations were about as expected- just a fraction lower. News overnight was rather scarce; there were some more rains in the Southwest delaying harvest. The Canadian news was highly satisfactory; more moisture might be needed in spots, but generally favorable progress is being made practically everywhere. We also had a cable that prospects in France are very fine; their market is steady owing to propaganda asking for financial help from the French Government for storage of surplus of the new crop. This would indicate a very large French crop- consequently, no exportations to that quarter.

Trade here was extremely light for the greater part of the session, with hardly any fluctuations. Shortly before the close a few buying orders found the pit empty of selling orders, and it was very easy to advance the price about 1 1/2¢ a bushel. With scalpers being less active than they had been heretofore, we believe that comparatively smaller orders on either side will bring greater changes in quotations.

The long-time weather prediction is favorable, indicating occasional showers and normal temperatures. This, of course, means reasonably warm weather in the Northwest, but this is expected in June or early part of July.

Primary receipts are still light at 615,000 bushels compared with 1,193,000 bushels last year. Clearances amounted to 280,000 bushels. Stocks at Kansas City, Duluth and Minneapolis showed a decrease of 831,000 bushels, indicating possibly a small decrease in the visible supply on Monday. The United States official exports for the month of May are 8,764,000 bushels, being somewhat less than a year ago when they amounted to 9,957,000 bushels. The total so far this year is 126,000,000 bushels versus 117,000,000 bushels in 1931. In both cases, importations of Canadian wheat to grind into flour in bond, and exportations of wheat to Canadian ports and not yet cleared have to be considered; they might amount to 20,000,000 bushels this season, so that the actual exports this year are about 106,000,000 bushels.

Corn, oats and rye all closed higher in sympathy with wheat.

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# DAILY MARKET LETTER

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FORT WORTH GRAIN AND COTTON EX.

CHICAGO June 27, 1932.

The news before our session opened this morning was quite mixed. There were very heavy rains in the Southwest, which are very undesirable, they will delay harvest, hurt the quality, and in places where they were excessive they may reduce the quantity. On the other hand, the weather in our Northwest and Canada was absolutely perfect; some scattered showers inCanada, and temperatures are normal, or possibly a little below; therefore, the plant must be making great progress. We have advices from parties in the Northwest claiming that the outlook at the present time is about the best promise in twenty years; of course, always providing that black rust or drought later on will not change it.

Cables were disappointing. While they came higher before our session opened and still advanced further, they did not show fully the same strength as we did on Saturday.

The wet weather in the Southwest was more emphasised at the opening, and prices advanced a little for a while, but when the stock market declined buying power diminished and finally there was a sharp break in corn, bringing about further liquidation, the close being quite weak showing a decline for the day of about one cent.

The routine news was almost ignored. The visible supply showed a decrease of 1,638,000 bushels compared with 2,415,000 bushels last year, and this last report for the year shows a total of 165,000,000 bushels against 187,000,000 bushels a year ago, or 22,000,000 bushels less. The visible supply is the largest ever at the end of a season, with the exception of last year, but this year there is more wheat in various other positions, there is more in Canada, more in country elevators, as well as big mills, and farmers' holdings are also very extensive. Therefore, the carryover as estimated by the Government, including stocks of American wheat in Canada, of 387,000,000 bushels is probably correct. It is this load which seems to be making it impossible to keep wheat from going up for more than one or two days; and after every bulg the pressure of hedges which are already on the market and which will now be supplemented by new ones, exert a depressing influence.

The movement of new wheat is still light when compared with last year, only 988,000 bushels, whereas in 1931 there were 3,349,000 bushels. On the other hand, nobody seems to be interested in export business; while last year we exported 17,000,000 bushels during the month of July there is nothing in sight so far this season, except possibly what the farm board may deem advisable to ship abroad. The domestic demand is also as poor as we have ever seen it; a great many mills were loaded up with Red Cross wheat, and it is very difficult to dispose of cash wheat anywhere.

Canadian marketings are keeping up, altho apparently Canada's crop was under-estimated at least 25,000,000 bushels, as there were already 26,000,000 bushels more wheat sold by farmers than was expexted from the size of last year's crop, as estimated by the Canadian government. Of course, farmers' holdings may be somewhat smaller because the inducement of 5¢ per bushel bonus would tempt every intelligent farmer to get rid of his wheat before the next crop comes on the market; nevertheless, there will be some farmers' deliveries right along from now until the first of August.

The extremely fine weather in the corn belt induced heavy liquidation in July corn in spite of the low price already existing- the price declining about one cent per bushel.

Oats and rye were also lower.

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# DAILY MARKET LETTER

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FORT WORTH GRAIN AND COTTON EX.

June 28, 1932.

The crop year ends in a few days, and we have all the statistics available now to review what happened. According to Broomhall, wheat and flour exports from the various countries from July 1st amounted to 778,000,000 bushels, compared with 784,000,000 bushels in 1931, showing only a slight difference; the exporting nations took about the quantity which was expected early in the season. North America's share was 330,000,000 bushels versus 368,000,000 bushels a year ago, or 38,000,000 bushels less. This quantity, and a little more, was made up by Argentina and Australia-- these two countries together shipping over 300,000,000 bushels. In spite of all that we have heard about Russia falling down, Russia and the Danubian Province together shipped exactly as much as the previous season- about 110,000,000 bushels; while Russia exported about 20,000,000 bushels less the other Balkan states cleared that much more. Drawing our conclusions from this, we believe that next year the importing nations probably will take 50,000,000 bushels less wheat on account of the better outlook in Europe, North America will ship considerably more because Canada has such good prospects, and the Southern Hemisphere probably will ship less.

Liverpool wheat cables today were very weak, following our decline of yesterday, which shows they are not at all independent, and in spite of the smaller amount of wheat on passage they follow every one of our declines, while they are compelled to follow our advances.

Not until this changes and Liverpool shows strength sometime even though we show weakness, can we come together, nor will the situation become more sound.

The news otherwise was rather mixed today; splendid crop prospects continue in our Northwest and Canada, while the Southwest received more rains, delaying harvesting further. Nevertheless, and it is quite surprising, there is a fair movement going on to Kansas City; possibly it would be considered light if it were not for the extremely poor demand, but as it is there is no trouble in keeping the elevators filled.

Assuming that the crops will finally turn out as promised at the present time; namely, a short winter wheat crop and better than normal in the spring wheat territory and in Canada, we shall require a much better demand to bring about, or sustain, a bull movement. Failing in this there will be pressure on the market right along, and while prices probably will hesitate at various times and decline only slowly it will be a discouraging situation more or less.

Stocks at Kansas City, Duluth and Minneapolis show a decrease so far this week of 472,000 bushels. Primary receipts were 556,000 bushels compared with 1,873,000 bushels, but shipments were also light- 552,000 bushels compared with 1,671,000 bushels a year ago. Wheat clearances amounted to 197,000 bushels. Canadian marketings were only 410,000 bushels.

Corn after the sharp break yesterday held reasonably strong today. but there was more liquidation in oats and rye which brought about lower values.

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FORT WORTH GRAIN AND COTTON EX.

June 29, 1932.

The news overnight was considered as favorable, inasmuch as rains had stopped in the Southwest and normal temperatures continued to prevail in the spring wheat territory, as well as in Canada. European crops also are getting along nicely. Therefore, the bullish feeling which had existed yesterday toward the close subsided materially. Furthermore, there was no encouragement in the Liverpool wheat cables; they did not share our optimism regarding the advance which had taken place, coming only 5/8¢ per bushel higher but losing the greater part of it before their close.

Our own threshing reports are more favorable, and we are inclined to believe that the estimates on the winter wheat crop will have to be raised unless something unforeseen should happen, and the yields in the spring wheat territory as well as in Canada promise to be way above normal.

Argentine shipments are estimated at 1,396,000 bushels compared with 2,988,000 bushels last year, being extremely small. However, export business remains quiet and insignificant, and as far as we know there is hardly any new crop wheat sold to Europe yet. This is quite extraordinary; in pre-war years sometimes as much as 30,000,000 bushels of wheat had been sold abroad before any wheat moved at all. There is no particular pressure of new wheat yet, and it probably will not be very great, as the winter wheat crop will still be small, but whenever the spring wheat crop moves we look for very large additions to the visible supply.

July liquidation is going on in an orderly way, and from all the information we can get there will be fair deliveries in July wheat, so finally the speculator will have to transfer into future months and carry it for a long time.

Wheat clearances today were only 102,000 bushels. Canadian marketings were still heavy at 595,000 bushels. Primary receipts were extremely light at 511,000 bushels compared with 2,418,000 bushels last year, but shipments are also very light 392,000 bushels versus 2,046,000 bushels a year ago. Bradstreet's export clearances were very moderate at 7,182,000 bushels against 6,500,000 bushels in 1931, and the total for the season is 318,000,000 bushels compared with 358,000,000 bushels the previous season. Stocks at Kansas City, Duluth and Minneapolis show a net decrease of 482,000 bushels.

Corn, oats and rye were all weak and lower. The fine weather as well as heavy liquidation in the July futures, and the poor demand having a depressing effect.

UHLMANN GRAIN CO.

# DAILY MARKET LETTER

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FORT WORTH GRAIN AND COTTON EX.

June 30, 1932.

Today's session was the last one of the crop year 1931-32. Wheat prices closed almost at the lowest point during this period.

Reviewing the size of the wheat crops which were raised during that year, we find that Europe had average crops, United States a bumper one in spite of a shortage in the spring wheat territory, and Canada had a short crop. Altogether the world raised about as much as it consumed, starting on July 1st with very close to the same carryover as in 1931.

For the coming year the outlook is very much the same; this time the United States will probably have a short crop, but Canada promises one considerably above normal, and European crop prospects are exceptionally good at the present time. The requirements of the importing nations will easily be supplied without encroaching upon the big carryover. Should this all turn out that way, and there be no miracle either in the way of exceptionally good or bad crops in the Southern Hemisphere, we see no relief from the present low prices. There probably will not be any sharp declines, because 50¢ a bushel for wheat already discounts a great deal. The fact that Liverpool is only a trifle higher than we will make export business very difficult until the parity between their futures and ours changes materially.

Liverpool wheat cables were rather weak again today, showing great independence on part of Europe. Most of the business was in the way of changing over from July to September wheat, both longs and shorts trying to liquidate their position. Fluctuations, therefore, were unimportant.

Weather continues to be fine in the spring wheat territory, as well as in Canada; there were more rains in Texas and Oklahoma, where they [redacted] might do some harm, but precipitation in Kansas was only moderate.

Stocks at Kansas City, Duluth and Minneapolis show a decrease so far this week of 496,000 bushels. Primary receipts are still light at 660,000 bushels compared with 2,730,000 bushels last year. Clearances were only 105,000 bushels. Canadian marketings for the time of the year were extremely heavy at 627,000 bushels.

Liquidation continued in corn, oats and rye to the detriment of prices at times.

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FORT WORTH GRAIN AND COTTON EX.

July 1st, 1932.

Comparative quiet has ruled in markets during the past few days, notwithstanding the fact that July wheat was being liquidated quite freely, while at the same time hedgers were transferring their position from nearby to more distant months. Possibly the fact that both classes of traders were able to meet, permitted transactions to take place without seriously affecting the market one way or another.

Deliveries this morning were over 4,000,000 bushels of wheat, showing that the local demand was not very great, and almost half of this wheat was re-delivered again at noon.

There were further rains in some portions of our Southwest; complaints coming to hand which were also confirmed by the Modern Miller in its weekly report. It must be assumed now that in addition to quality which might be affected, some minor losses will also be sustained to quantity. However, the private experts this morning in formulating their opinions as to the possible winter wheat crop, show more in prospect than the Government did on its last issue. The average winter wheat estimates were 426,000,000 bushels, and adding to this a likely spring wheat crop of 274,000,000 bushels, would give 700,000,000 bushels for the United States, without considering our very large carryover. According to the two experts who reported on the Canadian situation, and adding the probable amount that will be raised in the east, there will be 505,000,000 bushels, or a total amount grown in North America of 1,205,000,000 bushels. This compares with last year's winter wheat crop of 787,000,000 bushels, spring wheat 105,000,000 bushels and a Canadian crop of 314,000,000 bushels, or a total of 1,206,000,000 bus. In other words, we are starting the crop calendar year today with actually more wheat in sight in North America than a year ago, inasmuch as the North American carryover will be larger. We have also to face the reality that Europe because of her large crop will probably take less. Another factor added to the situation will be the smaller amount of wheat fed to animals, because of the extreme cheapness of corn. With this in mind, it becomes more apparent that the coming year will resemble closely the one just closed. In other words, there will be carrying charges which will give the advantage to the short seller even though prices might not drop very much from present levels.

Stocks at Kansas City, Duluth and Minneapolis show a decrease so far this week of 461,000, bushels. Primary receipts were light at 862,000 bushels compared with 3,033,000 bushels last year. Clearances were 200,000 bushels. Stocks of Canadian wheat as of June 25th in all positions total 157,000,000 bushels versus 162,000,000 bushels a year ago.

Corn suffered fractionally, with the experts estimating considerably over 3,000,000,000 bushels in prospect, which kept buyers somewhat hesitant. The fact, however, that our prices are about 3¢ under Argentina and that supplies can be shipped very cheaply by water from here to the Seaboard, might be hopeful should export business spring up and afford relief if we can accomplish a reduction by foreign selling.

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FORT WORTH GRAIN AND COTTON EX.

July 5, 1932.

Chicago enjoyed a three day holiday period, and during this time foreign markets were open, but there was extremely little activity at any time. Liverpool had shown a slight spurt of strength due to small world shipments, and the fact that stocks in England were not very burdensome, but the moment threats of heavy exportations from Russia loomed into the picture this gave way and towards the last Liverpool December wheat was depressed below the close of last Friday, and to a price which put it to a discount under the same delivery in Chicago. Traders readily figured that as long as this was the case there could be no healthy situation, and this was responsible for a lower opening here this morning.

The fact that there had been extremely heavy rains over sections of the Southwest, particularly in Kansas, kept traders from becoming overly bearish, and this induced some short covering, but on the whole trade was quite small.

As the season continues it becomes more apparent now that conditions both in Germany and in France remain very satisfactory, and cables from our people in those sections are very optimistic in regard to the impending harvest. It is even thought that Germany might be an exporter of wheat during the summer months; and if this is the case, requirements from abroad should be considerably less than they were a year ago.

It is well to consider at this time the Canadian situation of last year, when the country deliveries, plus 55,000,000 bushels generally conceded to be used on farms for seed, feed or waste makes a total of 313,000,000 bushels. This compares with the Ottawa crop report of 284,000,000 bushels for the Provinces showing that the crop already is about 30,000,000 bushels larger than estimated, and country deliveries still running fairly large. This being the case, Canada may carry over practically as much wheat as last year, which together with the wonderful outlook right now, makes necessar the steady exportations of wheat and on a much larger scale than is being pursued at this time.

So far pressure in this country has been light, and the movement hindered by continued rains, altho reports from Texas today said that clearing weather had set in and harvesting operations were reported in almost all sections. Of course, the quality has been hurt, and should more moisture come it would even have an effect on the quantity. It is generally accepted now that the winter wheat crop at best is only a small one; however, rains in our Northwest and Canada are bringing nothing but enthusiastic reports from the spring wheat territories which finally will be the determining influence in shaping markets.

Primary receipts 3,346,000 bushels,which included the holiday period, versus 1,718,000 bushels last year. Clearances were 668,000 bushels which is the identical amount shipped on the corresponding day in 1931. Canadian marketings keep up fairly well, being 284,000 bushels. The visible supply decreased practically 2,000,000 bushels and brings the total to 163,000,000 bushels against 188,000,000 bushels last year, or 25,000,000 bushels smaller. The shrinkage today was due to the fact that the movement has been rather small, hindered by wet harvesting in the Southwest.

Corn was lower at the start. A good soaking rain over the belt was construed as keeping the ground in first-class condition, with reports claiming that everything is satisfactory for continued progress at the present time.

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FORT WORTH GRAIN AND COTTON EX.

July 6, 1932.

There were more rains overnight and in some parts quite heavy, both in Texas and Oklahoma, which not only delays harvest, but also effects the quality of the wheat, and in some cases, the quantity, particularly if bad weather should continue. There also was some precipitation in Kansas, but not as heavy. Our weather man predicts clearing weather, and if this should materialize we still believe that the total damage done as far as the quantity of wheat to be harvested is concerned, is not sufficient to change the picture materially, as for every bushel of wheat which has been lost in the Southwest probably one has been added to the spring wheat in the Northwest where conditions so far are extremely favorable.

In other words, we still believe that the outlook for the United States wheat crop will not change greatly from the figures set by the private experts- about 700,000,000 bushels for United States and 500,000,000 bushels for Canada, or a total of 1,200,000,000 bushels. Assuming that consumption in both countries is about 750,000,000 bushels, we shall have to deal with an exportable surplus on this crop of 450,000,000 bushels; and with the widest stretch of imagination we cannot possibly believe that such a quantity will be exported. Consequently, the outlook at the present time is that our carryover in North America on July 1st, 1933, will be as large, or larger, than it was on July 1st this season.

In arriving at this conclusion we naturally take cognizance of the very favorable crop prospects in Europe, without, however, figuring on very large exports from Russia. Should that country also enter the export column then we do not know where all of the Canadian wheat will finally find an outlet, assuming there will be no great deterioration in their crop prospects from now on.

We certainly started this year very poorly; the first week all countries together exporting only 10,692,000 bushels compared with 14,210,000 bushels last year, and judging from the fact that such small quantities of wheat have been sold ahead we are afraid comparisons with last season, at least for a while, will make a very poor showing.

Liverpool wheat dables were quite indifferent when our session opened, but they improved during the day. We believe that Liverpool can no longer be independent of American markets, as the southern hemisphere has very little wheat to ship and the competition from that quarter will be quite insignificant from now on.

The chief influence in our market today, which showed great strength all during thesession, was the fact that rains are delaying the movement, and there is no particular pressure at the present time. However, Chicago received seven cars of new wheat today, and judging from past experience the movement will continue gradually now until it assumes quite large proportions within about two weeks, and hedges will come from a largely increased territory. Nevertheless, inasmuch as the winter wheat crop was a small one, the chief pressure is coming from existing large stocks, and some of the wheat which was delivered on July contracts has not yet found a permanent place. Deliveries around noon today were about 800,000 bushels. We do not expect extreme pressure until the spring wheat crop starts to move in volume, which will be some time to come.

7-6-32

page 2-

The bulls in the meantime hope that black rust will reduce the quantity, but there is nothing in sight to expect such a result, and so far it remains but a hope with all odds against it.

When the wheat market once started on its upward tendency, with no new pressure, the advance was quite rapid, final prices showing an advance of about 1 3/4¢ per bushel.

Primary receipts of wheat were light today, 984,000 bushels compared with 2,833,000 bushels last year. Rains in the southwest and the fact that the Northwest has very little wheat left accounts for this condition. Clearances were light at 113,000 bushels against 507,000 bushels a year ago. Stocks at Minneapolis, Kansas City and Duluth show a decrease of 173,000 bushels. Canadian marketings were fair at 329,000 bushels. Bradstreet's visible supply shows a decrease of 9,679,000 bushels, almost double of last year when the decrease was 4,863,000 bushels. The total now is 362,000,000 bushels versus 378,000,000 bushels last year.

Corn, oats and rye all sympathised with their sister cereal and closed higher.

The most encouraging sign in the general situation to us is the advance in hog prices, which has been steady now for a couple of weeks and still keeping up. The hog is a very valuable animal to the farmer, and nothing would help more to bring about his quick prosperity than improvement in the price of hogs and cattle. Furthermore, the advance in hog prices is quite natural and not artificial. When corn was so very high last year and hogs low, the farmer shipped his hogs instead of feeding them, which brought about a scarity, and consequently higher prices.

The same would have happened to wheat had it been left alone.

There is also a better feeling in cotton, but this is due to excessive rains and poorer crop prospects, and would change with better weather.

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# DAILY MARKET LETTER

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FORT WORTH GRAIN AND COTTON EX.

July 7, 1932.

The news overnight was quite favorable in many directions. The Southwest territory, which had been visited with such heavy rainfall, was comparatively clear; and temperatures everywhere were normal and conducive to the best development of the plant. Later the weather prediction for the next twenty-four hours was also for clearing weather almost every place, so it is more likely that threshing operations can be resumed again very shortly, and that an increased movement will take place.

Liverpool wheat cables were also disappointing insofar that they did not show such strength as we did yesterday, altho the final quotations were about 3/4¢ per bushel higher on an average for their futures. Our market consequently opened lower, but about mid-session the East sent very large buying orders, and with the trade light, hedging pressure limited at the present time, it was easy to boost prices and an advance of 3/4¢ per bushel was easily obtained in this way. Just about this time corn started to decline, and a statement came out regarding the Federal Farm Board's program of liquidation of their wheat holdings, which is very important and which created a very bearish feeling. We believe that finally the conclusion to dispose of all the farm board's wheat is a wise one, and will be beneficial to the farmer, but in the meantime he will be compelled to pay the full penalty of all consequences which the Farm Marketing Act has caused, and temporarily we think the program will bring considerably lower prices. This, of course, will be the salvation for thw wheat farmer in the end; and in the future he may hope that when good crops are raised he will get only a moderate price for his wheat, but on short crops he will reap all the benefits, as on the first poor crop in Europe our large holdings carried over from 1929 up to date will be more or less absorbed.

As we understand it, 35,000,000 bushels of cash wheat are likely to be sold during the next two or three months, 45,000,000 bushels will be given to the Red Cross, but an equal amount of wheat will not be purchased by the millers from the regular trade, and finally the futures amounting to 25,000,000 bushels will be sold to speculative buyers, so that there are about 100,000,000 bushels of wheat hanging over the market which when released will be an additional pressure until conditions change. The trade did not at once appreciate the importance of this statement, but when fully realized the market broke very sharply, finally closing 3/4¢ lower than yesterday.

To show the importance of going to an export basis, we wish to point out that during the month of July in other years we exported the following quantities:

| Year | | | | Amount exported | |
|---|---|---|---|---|---|
| 1926 | wheat | and | flour | 19,651,000 | bushels |
| 1927 | " | " | " | 11,943,000 | " |
| 1928 | " | " | " | 7,064,000 | " |
| 1929 | " | " | " | 13,557,000 | " |
| 1930 | " | " | " | 16,187,000 | " |
| 1931 | " | " | " | 17,254,000 | " |

Just now we are way out of line with Europe, and even to the non-European countries Canada can undersell us.

7-7-32

In spite of the low prices, bad weather and poor crops in the Southwest, receipts are commencing to pick up very materially as follows:

| | |
|---|---|
| Kansas City | 393 cars |
| Wichita | 147 " |
| Hutchinson | 206 " |
| Enid | 198 " |

We think starting on the 15th there will be a big movement from Illinois and Indiana toward Chicago, and hedging sales will be gradual and are likely to reach a formidable proportions by the last week in July.

Wheat clearances were only 4,000 bushels today. Primary receipts while still light were somewhat heavier at 1,034,000 bushels compared with 2,968,000 bushels last year. Stocks at Kansas City, Duluth and Minneapolis show a decrease of 329,000 bushels.

In spite of very small receipts of corn and a comparatively better demand, the very favorable crop prospects brought about a decline in December corn, which sentiment finally was transferred to September corn. Corn, oats and rye all closed lower.

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# DAILY MARKET LETTER

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FORT WORTH GRAIN AND COTTON EX.

July 8, 1932.

Liverpool wheat cables were very strong today and came much higher than expected. This undoubtedly was partially due to the favorable outcome of the Lausanne Conference, which inspires much more confidence in financial circles, and finally ought to be helpful to general improvement in business- therefore, to commodities. However, there may have been other reasons for the strength abroad. Europe has been buying wheat very sparingly of late, and importations of wheat have been less than their requirements. With Argentine and Australian shipments again this week somewhat less than 4,000,000 bushels, and with North American shipments probably not more than 7,000,000 bushels, the world shipments next Monday will hardly exceed 11,000,000 against possible weekly requirements of 14 to 15,000,000 bushels. Europe has been holding back for some time now on account of favorable prospects, but sooner or later they will have to buy larger quantities, and North America is the only place where it can be had in sufficient volume. Russian and the Danubian shipments amount to almost nothing; and the outlook of receiving large quantities from Russia this year is not very good. Of course, it is difficult to obtain reliable information, but according to W. Sanford Evans the total wheat area of Russia this year is only about 86,000,000 acres, which is certainly not very much for a country having a population of approximately 150,000,000, considering that we with 120,000,000 people are harvesting close to 60,000,000 acres. This Russian area would compare with about 92,000,000 acres last year, or a decrease of 6,000,000 acres. Furthermore, there is a decrease of 4,500,000 acres of rye; therefore, it looks as if Russia would not be a large exporter the coming season. With Rumanian crop prospects also very poor this year as compared with 1931, we think all of the Black Sea shipments together will make a very poor showing.

The crop news here was practically unchanged. Weather was mostly favorable, and the rainfall in Canada was such this year that it is not likely that the present fine prospects will be materially changed. Manitoba with a ten year average of 5.95 inches, shows this year, up to July 1st, 7.23 inches, compared with 4.05 last year; Saskatchewan with a ten year average of 5.21 inches, this year shows 6.93 against 3.26 a year ago; and Alberta with a ten year average of 6.10, shows this year 7.66 against 4.87 inches last year.

The weather in the Southwest was generally clear, altho there were a few isolated down-pours at some places. Generally speaking, we think harvesting is going on in an enlarged territory, and receipts ought to increase considerably next week.

The denial on part of Chairman Stone of the Farm Board that a statement was issued indicating a quick liquidation of their wheat holdings, had a strengthening effect. We, ourselves, believe that the liquidation of the wheat holdings will be gradual and normal. However, sometime during this year we believe the public will have to absorb what there is left of the accumulated stocks.

Stocks at Kansas City, Duluth and Minneapolis show a net decrease for the week of 246,000 bushels. Primary receipts were light at 966,000 bushels compared with 3,543,000 bushels a year ago. Canadian marketings are also commencing to be light-today only being 241,000 bushels, but clearances are very unsatisfactory at only 28,000 bushels from all United States Ports.

Corn showed firmness and extremely light receipts, creating a better feeling in speculative circles. Oats were practically unchanged, and rye improved slightly.

UHLMANN GRAIN CO.

# DAILY MARKET LETTER

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MEMBERS:
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DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

Sat

July 9, 1932.

Liverpool wheat cables showed extreme weakness today- their futures declining a little over one cent a bushel while they were due to come about 3/8 to 1/2¢ higher. The only explanation furnished was that the German crop prospects are excellent, and that country might raise about 28,000,000 bushels more wheat and 50,000,000 bushels more rye than last year. This weakness abroad comes at a most inopportune time, as the movement, in our opinion, will start in earnest this coming week. Weather has been clearing in the Southwest and threshing operations have been resumed. Receipts in the various interior points in Kansas and Oklahoma made a very good showing today and we expect, weather permitting, quite a heavy movement next week. Illinois and Indiana have started offering wheat to Chicago, and at least 70,000 bushels were worked today. We believe from now on heavy sales to Chicago will take place every day and by the time the nearby states and the Southwest are thru with their heaviest movement, the Northwest will start with theirs.

During the session there was an upward spurt at one time, due to a report that there were frosts at Calgary, but several messages which we received from our Canadian correspondents did not indicate fear of any damage having been done. In fact, the Winnipeg market never responded to the news, and showed no independent strength.

Stocks at Kansas City, Duluth and Minneapolis showed a decrease for this week of 389,000 bushels; nevertheless we expect an increase in the visible supply because some of the Texas, Okoahoma and Kansas points will start to increase their stocks. However, the visible supply will make a poor showing compared with last year when there was an increase of about 3,600,000 bushels. In fact, we do not look for sharp increases this year until about early in September, at which time last year we had reached our highest point of 236,000,000 bushels, because not until the spring wheat moves in volume will there be great accumulations. The fact that the winter wheat crop is so much poorer than last year and the spring wheat crop so much larger will cause this delay in accumulations.

In the meantime we cannot repeat too often that larger clearances will be needed to make the wheat position more sound. Clearances today amounted to 331,000 bushels. Primary receipts were larger than heretofore- 1,270,000 bushels against 3,804,000 bushels in 1931.

Corn was lower in sympathy with its sister cereal; oats and rye continued to be neglected.

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DAILY MARKET LETTER

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DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

CHICAGO July 11, 1932.

In spite of the fact that world shipments were again very light this week, being only 10,354,000 bushels compared with 13,356,000 last year, and also that the amount on passage has been greatly reduced and is now only 40,640,000 bushels against 49,592,000 corresponding date in 1931, cables were very weak before our session opened. These world shipments are easily 3 to 4,000,000 bushels less than the supposed weekly requirements. Nevertheless, there is no European demand to amount to anything for North American wheat, and this apathy on part of foreign buyers can only be explained by the fact that their crops are so good they can be moderately independent, and possibly they also figure on heavier exports from Russia, altho there are no clearances as yet from Black Sea Ports.

The weather here over Sunday was absolutely ideal; practically dry in the Southwest where threshing operations are continuing now, and moderate temperatures in the Northwest and Canada, with a few scattered showers. These latter items were given more consideration, and our market was weak right from the start, but trade was extremely light. The general tendency on part of traders was to even up in view of the Government Report which will come out this afternoon. The impression is that it will not vary very greatly from private estimates- possibly a little decline in the winter wheat estimate, but very good prospects for spring wheat.

The visible supply showed a decrease of 110,000 bushels compared with an increase last year of 3,666,000. However, we believe this will be the last decrease for some time, as the winter wheat movement has started in earnest and by the time same is finished the spring wheat movement will commence. Receipts of new wheat in the interior points of the Southwest showed up quite well; twelve Southwestern points had receipts of 3,729 cars. Strange as it may seem, however, the market has not yet felt the additional hedging sales to an appreciable extent. We believe the farmer's condition generally has greatly improved since June 1st, and his purchasing power largely increased. The values of animals alone has probably increased more than the whole wheat crop will bring to him; and in addition, butter and eggs are bringing much better prices, even truck stuffs are in better demand, and tomatoes, peas and other kindred products are doing better.

Therefore, we believe it is time to look with more optimism on the general business situation; it is bound to increase consumption of various merchantable articles. The only commodities which, in our opinion, will not share in the advance will be wheat and cotton, because on account of the Farm Marketing Act same had beenaccumulated to such an extent that it will take more than one year to bring about a readjustment. This refers particularly to wheat of which we have a carryover so large that it equals the amount of our exports for the last 2 to 2 1/2 years.

Corn was practically unchanged today, but oats and rye were lower.

UHLMANN GRAIN CO.

# DAILY MARKET LETTER

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FORT WORTH GRAIN AND COTTON EX.

CHICAGO July 12, 1932.

It is a sad task to be compelled to write a market letter on the wheat situation and adhere to the truth and express one's self as to theunusual problem which confronts this commodity. The only redeeming feature is that while the Farm Marketing Act permitted the farm board to experiment in all kinds of commodities, including hogs, etc., they confined their operations chiefly to wheat and cotton,and fortunately these are the only commodities for which there seems to be no hope of advancing prices at the present time. As the farmer also is heavily interested in livestock, butter, eggs, etc., the situation is not quite as hopeless as though the farm board's operations had been extended further.

As far as wheat is concerned, a big penalty is being paid now for having kept the price on an artificial basis for three years,and it is not likely the correction can be made in twelve months. We may assume now that the quantities of wheat to be raised in the northern hemisphere are about known, and it will make no material difference whether 25 or 50,000,000 bushels more or less are finally realized. We are confronted with the following problem:

| | |
|---|---|
| United States wheat crop estimated at ---- | 737,000,000 bus. |
| Canadian " " " " ---- | 500,000,000 " |
| Carryover in United States -------------- | 385,000,000 " |
| Carryover in Canada --------------------- | 130,000,000 " |
| TOTAL ------ | 1,752,000,000 " |

As the consumption is about 750,000,000 bushels in the United States and Canada, we have to deal with a quantity of about 1,000,000,000 bushels for export and carryover. In an ordinary year we might figure on exporting 450,000,000 bushels of wheat and flour, but with the European crop prospect so excellent, it is doubtful whether we may export more than 350 to 400,000,000 bushels this year. Consequently, it is now plain that North A merica will have more wheat on hand on July 1st, 1933, than it had this year.

Furthermore, with Liverpool July wheat selling at 48 1/2¢ and their December wheat selling at the same price as ours, there is no immediate prospect of exporting much from this country; and Canada is also doing only a limited business as Europe seems to be entirely apathetic, and will remain so as long as the Canadian outlook remains favorable.

So far on this crop the world's exporting countries cleared about 6,500,000 bushels less than at the same time in 1931.

The bearish Government report on wheat seemed to have a more depressing effect on the Liverpool market than on ours, or perhaps the fact that Canada promises to raise such a bumper crop was the determining factor. But whatever the cause, their prices are so low now that we would not be surprised to see a little reaction tomorrow, feeling that they cannot go much lower. Should this occur it would be no inducement to make purchases here; such should not be made until after we know we shall find a place for our tremendous surplus.

Bradstreet's exports for the week of 5,147,000 bushels compare with 6,555,000 last year, and the total up to date is 11,000,000 against 18,800,000 a year ago. Bradstreet's visible supply shows a decrease of 7,604,000 bushels for the week and is now 354,000,000 bushels versus 378,000,000 in 1931. Primary receipts continue to be light by way of comparison with other years- only 998,000 bushels while in 1931 they were 3,581,000. Clearanceswere next to nothing- only 8,000 bushels. Canadian marketings dropped off, being only 205,000 bushels. Stocks at Duluth, Minneapolis and Kansas City so far this week show a decrease of 24,000 bushels.

Corn held comparatively strong in spite of the good outlook for a large crop, but oats and rye declined further.

UHLMANN GRAIN CO.

# DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
NEW YORK RUBBER EXCHANGE

## UHLMANN GRAIN COMPANY

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CHICAGO

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

July 13, 1932.

Liverpool wheat cables were very strong before our session opened and advanced still further before their close. We believe we were responsible for much of the strength abroad, because we feel quite optimistic on Liverpool prices, particularly when purchased against sales in Chicago. It is an entirely different thing to buy Liverpool wheat at practically our December price than buying it in Chicago; Sooner or later Chicago wheat must find a resting place at Liverpool because we raise more wheat than we consume every year, and the large surpluses created in the past three years must finally be disposed of abroad. Consequently, when one can purchase Liverpool wheat at 53¢, with all charges paid, it looks as if one would have a real buy; it is, therefore, very easy to obtain buying orders for Liverpool December wheat, with all expenses paid up to December first, when the situation is thoroughly explained and understood. So any strength abroad should not be immediately followed by similar advances here, or else we will never come together, and yet how necessary it is that we do so.

We wish to point out the extremely small clearances this week from the United States, wheat and flour, amounting to only 382,000 bushels compared with 2,883,000 last year. Inasmuch as we exported last year during the month of July 17,000,000 bushels, it shows very plainly how we are falling behind. Canada cleared last ~~year~~ week almost fifteen times as much, or 5,425,000 bushels.

A very important open question now is, what attitude the eastern European countries and Russia will take at the commencement of the crop movement in the respective countries. The pressure from the Danubian countries is not expected to be heavy this year, as in the first place the quantities to be harvested are smaller this year, while the export bonus which the Rumanian government granted last year will not be given this season.

Now as far as Russia is concerned, which is always an unknown quantity, we wish to call attention to the very large clearances last year, which started August 6th, as follows:

| | | | | |
|---|---|---|---|---|
| August | 6 | - | 3,080,000 | bushels |
| " | 13 | - | 4,584,000 | " |
| " | 20 | - | 4,472,000 | " |
| " | 27 | - | 5,800,000 | " |
| Sept. | 3 | - | 4,512,000 | " |
| " | 10 | - | 6,056,000 | " |
| " | 17 | - | 5,040,000 | " |
| " | 24 | - | 4,456,000 | " |
| Oct. | 2 | - | 3,368,000 | " |
| " | 9 | - | 3,072,000 | " |
| " | 16 | - | 3,408,000 | " |
| " | 23 | - | 4,040,000 | " |

after which there was a steady decline to almost the diminishing point. Should that country fail to export much this year, it certainly should have a very important effect on Liverpool prices and this in turn will influence ours. This all the more so if the Canadian policy should be continued again-- the government sustaining values on the eve of a large new crop. We never were in sympathy with any artificial keeping up of prices. When the proper time comes, prices will go up, but there is never any good purpose served for governments to hold up prices which restricts exports instead of increasing them. Perhaps it is a good thing for the United States wheat farmer if this Canadian policy should be continued, but in the end it would be bad all around, because it is not based on sound business economics.

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FORT WORTH GRAIN AND COTTON EX.

July 13, 1932

The Agricultural Department makes some remarkable statements about the disappearance of wheat last year, claiming an all-time record of wheat feeding on the 1931-32 crop of 184,000,000 bushels. Making the proper deductions from this, we arrive at the following conclusion:

| | | |
|---|---|---|
| Feeding to animals - | 184,000,000 | bushels |
| Added to our surplus- | 50,000,000 | |
| Exported net about - | 110,000,000 | |
| Total of | 344,000,000 | bushels |

As the crop was 892,000,000 bushels, this would leave for the past year 548,000,000 bushels domestic consumption for human food and seed. They further stated that the feeding was four times as great as the annual average feeding from the six preceding crops. Consequently, the average feeding must be about 46,000,000 bushels, and on that basis our total normal consumption, including seed, would be less than 600,000,000 bushels. However, we assume that last year's consumption, per capita, was extraordinarily low, but yet we have to come to the conclusion that we can hardly figure on more than 630 to 650,000,000 bushels for home consumption for this season, as foodstuffs are so cheap that the amount of wheat fed to animals must go back again to normal. Possibly the crop had been underestimated, or the amount of wheat fed to animals over-estimated. as we never figured that consumption in this country would be less than 630,000,000 bushels.

Wheat trade was extremely light today, finally closing somewhat higher.

However, weather everywhere is ideal, and as long as this is the case, and the demand remains so poor, we see no hope for any permanent advance.

Stocks at Kansas City, Duluth and Minneapolis show so far this week an increase of 181,000 bushels. Primary receipts of both wheat and corn still very light. Wheat receipts 1,347,000 bushels compared with 5,145,000 last year; and corn receipts 198,000 bushels against 382,000 bushels last year. Clearances all from Galveston were 215,000 bushels. Canadian marketings were light at 213,000 bushels.

Corn was extremely strong, advancing over one cent a bushel. The feeling is gaining ground that this cereal has been selling too low, considering the price of hogs, and ought to do better even though the promise is for a very large crop.

Rye and oats sympathised with corn. In fact, sentiment is increasing that all commodities might do better, stocks showing greater firmness, and it is time to take a much more hopeful outlook, but always with the exception of wheat prices on account of special conditions, which, in our opinion, do not permit of any advances to hold.

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FORT WORTH GRAIN AND COTTON EX.

July 14, 1932.

Liverpool wheat cables were quite weak before our opening, but their market was extremely narrow and with small buying orders from this side their prices gradually advanced, bringing the close slightly higher than last night. This firmness abroad, together with early strength in the stock market, gave encouragement to the bullish element.

There were also political factors overnight, which brought about various reactions amongst thinking people. Some were undecided as to the effect of the possible action of the Norbeck Bill, and others were wondering what might happen in the event that the Senate failed to pass the resolution whereby the Farm Board would make a gift of about 45,000,000 bushels of its wheat to the Red Cross. In any event, one thing became apparent as time went on, namely; that the market was in no condition to take much selling, and with cool weather indicated for the northwest, with additional showers, early buyers found it much more difficult to sell than to buy when late in the session they tried to liquidate.

What strikes us as being most significant now is the extremely cheap price level existing in European countries, and this should be more carefully considered than almost any other factor. Our clearances at the present time are entirely insufficient to give us a healthy market even later on in the season.. With Liverpool December wheat not much of a premium over Chicago, it spells "bad health" for Chicago, and we do not think that investments should even be sought until we reach a shipping parity under importing countries. Just a year ago during July the United States exported about 17,000,000 bushels of wheat, and this year the amount is very much smaller. It is true that this year's crop is about 150,000,000 bushels smaller than last year's, but the carryover promises to be about 50,000,000 bushels greater, and there might also be 50 to 75,000,000 bushels less wheat fed to livestock on account of the abundance of corn; so that the carryover on July 1st, 1933, might be practically as big as the one which is hurting us now.

Primary receipts of wheat today were 1,550,000 bushels and compares with 4,087,000 bushels last year. With clearing weather in the Southwest, the carlot run should gradually pick up. Out of twelve points today there were 2360 cars of wheat. So far stocks at Kansas City, Minneapolis and Duluth show a net decrease of 97,000 bushels. Clearances were only 16,000 bushels from New York against 206,000 bushels last year. Black Sea shipments were 104,000 bushels against 264,000 bushels a year ago, and estimated Argentine shipments are 735,000 bushels versus 1,626,000 bushels in 1931.

Corn held about steady after yesterday's advance until the heavy liquidation came into the wheat market, and finally selling orders affected this commodity as well as other cereals.

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CHICAGO July 15, 1932.

While wheat fluctuations were extremely narrow during today's session, much is happening in the wheat world which is highly interesting. Canada, which has not been a free open market for about seven or eight years, or more, tried to keep up artificial prices during that period until the Pool got into difficulties. The government had to come to its rescue, and since then the Canadian government has been more or less interested in the stabilization of prices, gave a bonus of 5¢ per bushel to the wheat farmer last year, and held off sufficient quantities of wheat from the market so that the carryover on August first probably will be the same as in 1931, or 135,000,000 bushels, in spite of the fact that the crop was possibly 150,000,000 bushels less than the previous one. The last three or four days the government, thru its agents, had been large buyers of Canadian futures, probably purchasing about 8,000,000 bushels of wheat and holding up the price for October wheat at 56¢.

Naturally, many rumors were floating around; the one which is most believed in is that the price will be kept up artificially until the Ottawa conference is over, and possibly the exchange will be permitted to go down so that the depreciation will be as great as it is in Great Britain. If money would be so freely printed it would make no difference what one would pay for the wheat wich such currency. We, ourselves, believe that any such scheme would be doomed to failure; England at best imports only 240,000,000 bushels of wheat a year, and cannot afford to ignore its other colony, Australia, which can easily make a claim of 80,000,000 bushels of its raisings. Then Argentine could not be entirely ignored, or else England would lose its trade with that country, etc. We, therefore, believe that with all these unfortunate past experiences of Canada's that finally their wheat will be sold at world's prices. In fact, we do not see how the huge amount can otherwise be disposed of.

In the meantime, however, this strength in Canada had a sympathetic effect in England; their July wheat is now 5¢ over ours, their October 4¢ over our September and December about 2 1/2¢ over ours. so we should profit very shortly if this Canadian policy would be continued. Importing countries are getting very small quantities of wheat, Argentine shipping only 465,000 bushels, Australia 2,600,000, Russia and the Danubian Provinces next to nothing, so the total world shipments probably will be less than 10,000,000 bushels, and if Canada withholds its supplies to a larger extent, Europe might finally come tothe United States for some wheat.

Weather conditions continue to be ideal everywhere. Precipitation in Manitoba since April 1st being 7.70 inches compared with 4.65 last year; in Saskatchewan 7.24 against 3.53, and Alberta 8.03 versus 5.14 inches a year ago. The total rainfall being up to the ten-year average.

The wheat crops have advanced far enough in the Northwest and Canada so that we do not think great changes will take place from previous estimates, and with this in view, we figure that the world will produce more wheat than it will consume, provided the Southern Hemisphere has its normal yields; probably on July 1st, 1933, our carryover will be just as large, or larger, than it was this season; and until this situation changes radically we adhere to our view that low prices will prevail during this crop year, altho from time to time there will be reactions, but we would be more careful in selling wheat short except on bulges.

Primary receipts today were 1,731,000 bushels compared with 4,163,000 bushels last year. Stocks at Kansas City, Duluth and Minneapolis show a decrease for the week of 84,000 bushels, indicating a moderate increase next week, as the interior points of Kansas probably will show increases. Clearances amounted to 278,000 bushels.

Corn held independently strong, the general belief being that all the bearishness in the situation has been thorough discounted. Receipts of corn were also very light- only 223,000 bushels against 414,000 a year ago.

Oats remained neglected and rye considerably firmer.

# DAILY MARKET LETTER

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FORT WORTH GRAIN AND COTTON EX.

Sat.

July 16, 1932.

Liverpool wheat cables were very strong again today, and forvery good and sufficient reasons. The importing nations are not getting much wheat from anywhere and prospects for receiving larger supplies are also not very good. Argentine shipments have dropped off to a minimum, Australia is still shipping fair quantities, but they are bound to become gradually less as the old supplies are being exhausted, and the only countries on which Europe had figured, United States and Canada, are not offering freely at the present time.

As far as the United States is concerned, we are out of line with European quotations for one reason or another.

Canada acts as though she had decided to stabilize prices for the present, paying no attention to the fine crop condition, the large carryover or to the large prospective supplies. Of course, this can only be a temporary affair, as with the wonderful crops in Europe Canada is in no position to dictate the price to the world, and the longer she withholds her supplies from the market the more she will suffer later on. This is the time of the year when the competition from the southern hemisphere is comparatively small,and It is Canada's opportunity to make large sales. If same is missed, the consequence might be very bad, in our opinion.

The situation in Russia still remains very uncertain. There was a report out today that some wheat was sold fromAustralia to some Eastern Russian port, which at times is nothing very unusual. Also the reports about charters having beenmade fromRussia are very indefinite, as they do not say whether they were for wheat-- they might have been for barley or other food-stuffs. For the present we do not look upon this country as being a large competitor as an exporter.

Toward the close hedging sales, with the light buying power, made themselves very severely felt, and the market broke sharply, new records being made for all futures.

Stocks of wheat at KansasCity, Duluth and Minneapolis show an increase for the week so far 198,000 bushels. Primary receipts are 1,876,000 bushels compared with 4,257,000. Clearances were only 32,000 bushels. The Southwest movement continues to be quite fair, considering the small crop.

Corn held comparatively strong. Rye and oats suffered but little considering the weakness in wheat.

UHLMANN GRAIN CO.

# DAILY MARKET LETTER

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FORT WORTH GRAIN AND COTTON EX.

July 18, 1932.

Liverpool wheat cables were lower today, but by no means weak. Liverpool is now very largely influenced by the very small world shipments, amounting to less than 9,000,000 bushels whereas the normal requirements are about 14,000,000 bushels; and also by the stabilization of prices in Canada. Consequently, there has been a readjustment between our futures and Liverpool's; this should continue for some time, in which case we may be on an export basis later on.

A very interesting wheat operation is taking place at the present time in Canada and it is generally supposed that thru her representatives she has supporting orders in the market for October wheat at 56¢. So far there must have been purchased at least 10,000,000 bushels of wheat. We can only conclude that, unless the export sales increase very largely, these agencies will be carrying the hedges on practically the entire carryover of the Canadian wheat and a large share of the new crop. Everybody, of course, knows what the outcome of such operations always is. It is difficult to understand why such a measure should be undertaken by the Canadian government which has already hurt the farmers right along by artificially trying to boost prices instead of letting the market take its own course so there will be a reduction in acreages.

The average world's import requirements are about 750,000,000 bushels, and Canada with a crop like this year could easily supply half of that amount. It is unlikely that all the other countries will just stand by and let Canada keep on producing wheat on such a large scale and fill half of the demand.

There is a general impression that back of it all is an attempt to depress the Canadian exchange. Should this occur, all industries would suffer; and for a country that owes so much money, in gold values, in England and the United States, this would be very dangerous.

Trade was extremely light; naturally, there is not much incentive to sell wheat short at present low prices, and none whatever to make purchases as long as there is such a great plenty everywhere.

The visible supply increased 1,882,000 bushels compared with 7,198,000 bushels last year, and the total visible is now almost 35,000,000 bushels less than last season. However, we expect from now on an uninterrupted increase in the visible supply until close of navigation and whatever shortage there may be now, by way of comparison, will be partly, or all, made up when spring wheat moves.

Southwest receipts are keeping up very well, but make a poor showing compared with last year; however, they are large enough for all purposes either domestic or export. Primary receipts were 3,072,000 bushels against 7,416,000 a year ago. Clearances, all from New York, only 75,000 bushels.

The farm board finally succeeded in selling 45,000,000 bushels of wheat and 500,000 bales of cotton to the government for $40,000,000. This is a wonderful trade and probably the best one the farm board has made since it has been in existence. Considering that wheat is worth 25 to 30 cents to the farmer in Nebraska and Kansas, and that the price is below 40 cents at Kansas City, this is a good sale and one in which private individuals or corporations, who pay taxes, could not participate. However, it may be okay anyhow because after all the farm board, after years of experience, has discovered it has not established connections whereby it can do an advantageous export business as private individuals do it, and the only way it could sell the wheat was to the government who in turn gives it to the Red Cross.

Corn was very weak on account of the continued fine weather and this in spite of the fact that receipts keep extremely light, 292,000 bushels, all primary markets.

Oats and rye sympathized with other grains and were lower.

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FORT WORTH GRAIN AND COTTON EX.

July 19, 1932.

iverpool wheat cables today were about unchanged before our session pened, but later they improved a trifle, closing about 1/4¢ higher s we have pointed out repeatedly, Liverpool futures are selling t such a low level that no matter what happens we doubt whether hey can decline further. While we had a break of about 3¢ per ushel during the last ten days, Liverpool October and December heat are still selling at about the same price; this is quite atural in view of the fact that they are out of line with almost very important exporting country; consequently, are receiving very ittle wheat.

radstreet's exports for the week, wheat and flour, from all of rth America, show only 4,744,000 bushels compared with about ,000,000 bushels last year, and the total since July 1st is less han 16,000,000 bushels against almost 24,000,000 bushels a year ago.

e consider the size of our export business during the first five onths of the crop year as a very important item in shaping of prices, he United States and Canada during this period have almost the ntire burden, frequently supplying close to three-quarters of all he import requirements; later on when the southern hemisphere as gathered its crop, it becomes a very important competitor, and uite often Argentine and Australia ship as much wheat the second alf of the crop year as North America does. The fact that we are alling behind now, compared to a year ago, is very unpleasant. anada seems to be undisturbed, and still holding up her market rtificially, and this in spite of the fact that the visible supply f wheat at Canadian points alone show over 80,000,000 bushels compared with about 72,000,000 bushels a year ago, with the biggest rop in sight. Evidently Government representatives still have great opes on the outcome of the Ottawa conference. The latest idea as o what will happen is this: England may establish a tariff on ood-stuffs, particularly on wheat, with all countries except her own olonies. This would naturally put Canada at an advantage as far as er sales to England are concerned, but it would make no difference n the price in the end, either for Canada or any other country, as t would only change the redistribution. Supposing Canada sells 0,000,000 bushels more wheat to England, then that country would uy that much less fromRussia and Argentine, and they would find an utlet either thru Holland, France, or other countries. Furthermore, s the total requirements of England are only about 240,000,000 ushels, and as Australia might ship 80 to 100,000,000 bushels, anada at best would profit only on a very small excess amount of hat she is selling to England now, and the quantity which would till be left for export would be so tremendous that she would inally have to meet world's markets.

ccording to Broomhall; the division of last week wheat and flour hipments, show only 1,048,000 bushels from the United States and he balance, 3,672,000 bushels fromCanada. Bradstreet's visible upply is about 30,000,000 bushels smaller than last year.

heat clearances continue to be light- 141,000 bus. Primary receipts lso were very modest- 1,381,000 bus. compared with 3,441,000 last ear. However, shipments also make a bad comparison- being only 03,000 bus. against 3,045,000 in 1931. Stocks at Kansas City, uluth and Minneapolis show a net decrease of 143,000 bus.

here was reasonable strength in our market today influenced very argely by news from our Northwest, and the further fact that their arket responded to the news and was considerably higher.

t was generally reported that the hot weather during the last few ays has reduced the probable yields in the three northwestern states. owever, no mention was made that the last Government report allowed or a reasonable amount of deterioration, the crop outlook then having een almost perfect. There might be a reduction of 5 to 10 points in he condition, and the government would still give us an estimate of 00,000,000 bus. With cooler weather in sight now, and considering e are so close to the harvesting of the crop, it is not likely, herefore, that the very promising outlook of 300,000,000 bus. will e much interfered with.

orn,oats and rye fluctuated only in fractions, closing somewhat

# DAILY MARKET LETTER

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FORT WORTH GRAIN AND COTTON EX.

July 20, 1932.

Liverpool market was considerably stronger than due this morning; this, in spite of a shade higher sterling exchange. The advance in that market continued, their prices at the close being the best of the day. This makes their October wheat fully six cents over our September, and their ~~September~~ December Wheat 4 3/8¢ over our December-- the widest difference for some time, and something which we had predicted right along and which we claimed was absolutely necessary before we could see any permanent improvement in United States wheat values. However, present differences do not yet permit any active export business, but we believe a further widening between Liverpool and our futures will come, and that before the season advances very much further United States wheat may be legitimately sold again abroad, something which practically has not happened for three years, or since the period when the farm board started to stabilize prices. It is true, there was export business during that time, but partly to Governments on credit and partly at great sacrifice prices; nothing on the old-fashioned legitimate basis when this country had wheat to sell and Europe wanted it at values which permitted paying inland freight, ocean freight and all other expenses attached to it.

The strength abroad is quite natural in view of the very small world shipments since July 1st, being considerably smaller than last year, and a great deal under weekly requirements. Their stocks are decreasing fast. Furthermore, Russia is not the same factor in offering wheat as last year. According to Sanford Evans, mail advices dated July 4th show only one vessel chartered to South Russian ports, as compared with about sixteen vessels in the corresponding time of 1931, as well as 1930. Nevertheless, Europe continues to buy very sparingly from North America, evidently willing to wait for the harvesting of their own crops, and they must be very much impressed with the size of same, as it is hardly likely they would assume such a waiting attitude in view of the low prices existing for their wheat.

Our Northwest also sent many reports about deterioration. However, in our opinion, they are very largely exaggerated, and they are not taking into consideration the fact that we could have a decline of 20 points in the condition of July, from 85 to 65, and would still have a crop of 260,000,000 bushels of spring wheat. Inasmuch as cooler weather is predicted for the northwest, the excitement as to damage died down after the opening today, and harvesting time is almost in sight-- within a week or ten days.

We are also very much impressed with the Canadian situation. According to a report of the Statistical Branch of the Board of Trade Grain Commissioners, the visible supply of Canadian wheat at all points at the beginning of this week totaled 139,000,000 bushels, 28,000,000 bushels more than at the same date last year. We, therefore, believe that Canada will carry over 135,000,000 bushels; all of North America has a carryover of almost enough to supply their wants within 250,000,000 bushels of wheat. Therefore, the amount left for export will be simply tremendous.

Canadian weather is excellent and considering that last year's crop was under-estimated about 30,000,000 bushels, amounting now to over 330,000,000 bushels for all of Canada, it is fair to assume that this year 450 to 500,000,000 bushels of wheat will be raised. We figure this is a favorable item for Canadian exchange, as the wheat has to be sold, and of course this is making foreign exchange. However, the action of the government in withholding sales of wheat and stabilizing prices terrifies us. It has been repeatedly shown how such transactions always lead to large losses, and if this policy is pursued, the losses to the Canadian government may be sufficient to upset her budget and would be very bearish on Canadian exchange.

Toward the close there was very general liquidation because of possibility of changed weather conditions in the Northwest. Prices closed about 1/2 cent lower than yesterday.

Stocks at Minneapolis, Duluth and Kansas City show a decrease of 291,000 bushels. Canadian marketings are getting very light, showing that farmers must have pretty nearly sold all their wheat; they were only 168,000 bushels. Clearances were 120,000 bushels of which 80,000 came from New York. Primary receipts of wheat were 1,903,000 bushels compared with 4,445,000 bushels last year. General wheat receipts in the southwest remain fair, and the movement will probably continue to be moderate for some time.

Corn, which opened strong, was also influenced by probable change in weather conditions, and this cereal, as well as oats and rye, closed lower.

UHLMANN GRAIN CO

# DAILY MARKET LETTER

MEMBERS:
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NEW YORK COCOA EXCHANGE
W YORK COFFEE AND SUGAR EX.
EW YORK RUBBER EXCHANGE

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141 W. JACKSON BLVD.
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MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

July 21, 1932.

Cables from Liverpool furnished no surprise today and were about as expected. Overnight news showed some moderation of temperatures in the Northwest, and the forecast was for showers and cooler, with a number of places already reporting rain, so there was not the same apprehension as earlier in the week.

Canada has been enjoying fine temperatures and frequent rains; Sanford Evans reports average rainfall since April 1st as follows:

| | This year | Last year | 10 yr.average |
|---|---|---|---|
| Manitoba | 8.91 inches | 4.84 | 8.50 |
| Saskatchewan | 8.07 " | 3.88 | 7.76 |
| Alberta | 8.87 " | 5.32 | 8.79 |

Trade in our market was very light; and in Winnipeg extremely dull, feeling the effects of the recent Government's purchases, which are difficult to understand.

Deliveries of wheat from country elevators August 1st to July 15th, in the three western provinces of Canada, amounted to 263,000,000 bushels, and adding to this 55,000,000 bushels which are generally consumed at home for seed, feed or otherwise, would indicate a crop of 318,000,000 bus. The last government report estimated only 284,000,000 bus, making a difference of 34,000,000 bus. There will be further farmers' deliveries from July 15th to August 1st. On the other hand, it is possible that farmers' stocks will be lighter this year than last; but in any case the crop must have been underestimated by 30,000,000 bus. Should this be the case the presumption is that the error was mostly in the acreage figures, and if last year's acreage figures were larger, they will probably also be larger this year. Taking everything into consideration, if nothing unforeseen happens, Canada might have the problem of handling the largest quantity of wheat it ever had , carryover and new crop together, with a comparatively poor outlet, as Europe seems to be determined in assuming a waiting attitude.

In spite of about the smallest spring wheat crop ever harvested in the four northwest states, Minneapolis and Duluth still have stocks of about 35,000,000 bushels. This is a quantity of almost half of the spring wheat raised last year, after taking out the amount which was used for seed. In former years when the Northwest had a large crop, they usually did a large flour business to Europe and maybe when the crop movement starts, prices will have so adjusted themselves that they can do the business this year. Their stocks also include Durum wheat; possibly Italy with a shorter crop might be a buyer, but an extraordinary outlet will be positively needed to relieve the northwest market of its burden whenever the wheat movement starts in earnest.

Today the Empire Conference at Ottawa starts. The problems will be so many that it will necessarily take a long time at best to come to any conclusions. As far as wheat is concerned, the Canadian interests have made it very plain and expressed the same opinion as we did some time ago-- that a higher quota system for the Canadian wheat to England, will do them no good; first, because England will be compelled to buy a certain amount from her other colonies, such as Australia, and normal requirements are not anywhere near sufficient to absorb the surpluses of Canadian wheat, A market must be found anyhow for the remaining quantities, and meet world's prices. Therefore, we still believe if Canadian wheat will sell at whatever price the world market will be, the artificial stimulant, which has come at the end of the old crop, thru the representatives of the government, will have only a temporary effect.

# DAILY MARKET LETTER

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FORT WORTH GRAIN AND COTTON EX.

7-21-32

p-2

rimary receipts today were 1,522,000 bushels against 3,519,000 ushels last year. Of course, the short winter wheat crop is sponsible for this and the heavy pressure will not be felt until he Northwestern crop starts moving. Argentine estimated shipents are only 441,000 bushels against 2,049,000 a year ago. lack Sea shipped very little-- 88,000 bushels, none of it being rom Russia, against 272,000 a year ago. So far stocks at inneapolis, Duluth and Kansas City show a net decrease for the eek of 167,000 bushels. Clearances today were 224,000 bushels, ll from Baltimore, against 150,000 last year.

orn was firm early but later was influenced by reports of rain and rospect of cooler weather.

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# DAILY MARKET LETTER

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FORT WORTH GRAIN AND COTTON EX.

CHICAGO July 22, 1932.

iverpool wheat cables were rather weak today, which was all the
ore surprising as Argentine, Australian and the Danubian shipments
mounted to only about 2,000,000 bushels compared with 5,000,000
ast year. It is very plain that the world shipments next Monday
ust be again very small and much below estimated requirements. The
ndifference on part of Europe where prices are so low already, is
ifficult to understand. One would imagine that they would in-
rease their stocks instead of permitting them to be decreased-
vidently they must be very optimistic about the size of the move-
ent of their own crops when they mature.

he weather here was more or less of a disappointment. Forecasters
ad led the trade to believe there would be more moisture and that
ossibly the heat wave would be broken. However, the way it
ooks now, the precipitation, generally speaking, was only moderate,
nd by tomorrow we may again have much higher temperatures in
estern Canada, and warmer in our Northwest. This, together with
firmer stock market caused some covering; the narrow market was
aken advantage of by eastern speculators, who bought quite heavily,
hich naturally advanced prices.

here was also quite a little gossip that the height of the winter
heat movement was about over. This we do not believe; in fact,
oday's primary receipts were probably about the largest for any
eek day on this crop, and small as the winter wheat crop is, the
ovement is never over in a few weeks after it starts. With the
arryover from last year's crop, we think there will be a moderate
mount of wheat moving the year around. However, we fully agree
hat any great new pressure can only come from the Northwest and
rom Canada; in fact, we consider Canada the most important factor
n making prices. That country produces, compared with its
opulation and the size of its consumption, the largest crop of any
ation; it has the biggest exportable surplus, and in a year like
his it can almost supply as much wheat to the importing countries
s the balance of the exporting countries together. Much will de-
end upon the manner in which the Canadian wheat will be marketed,
nd as the government, thru its agencies, buys and sells futures,
hereby becoming a speculator and a gambler, no matter how ideal
er intentions are it very often brings about strange situations.
ossibly Europe is holding off so much because they feel they can
fford to wait longer than Canada can hold off marketing her sup-
lies. We figure that the carryover in Canada of probably
35,000,000 bushels would permit the exportation of 5,000,000 bus.
week for twenty-seven weeks, or until about February 1st, before
he surplus of the new crop would be touched; and by that time
ustralia and Argentina will become heavy competitors and a great
pportunity will have been missed. Nobody can imagine with
uropean crops being about 42,000,000 bus. larger than last year,
utside of Russia, that a quantity sufficiently large can be
leared from Canada the last six months so that the situation would
e better in August 1933, than it is now.

ccording to the Modern Miller, harvesting in the Northwest has
ractically started in the most advanced sections, and it will not
e very long before harvesting will be general in half of the
orthwestern states; therefore, do not think spring wheat estimates
ill finally be very much reduced, altho the hot weather has hurt
t at places. With the probability of more warm weather tomorrow
n Canada and our spring wheat territory, we may have more strength
omorrow, but in the end, of course, we shall have to have a better
xport outlet to maintain values.

rimary receipts today were 2,240,000 bus. compared with 3,364,000
ast year. Stocks at Kansas City, Duluth and Minneapolis show a
et increase of 61,000 bus. Clearances amounted to only 118,000 bus.

orn was strong also, partly influenced by weather conditions, and
artly in sympathy with wheat. Oats and rye were higher.

UHLMANN GRAIN CO.

# DAILY MARKET LETTER

MEMBERS:
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MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

Dat

July 23, 1932.

Liverpool wheat cables were reasonably strong today, altho did not show as much advance as we had yesterday, paying more attention to Canadian values. Therefore, believe we shall have fairly strong markets abroad on Monday, as Canada was higher today and the world shipments will be extremely small-- possibly not more than 8,000,000 bushels. This will make exportations for the month of July for the various countries probably 12,000,000 bushels less than in 1931. We can only account for this reluctance on part of Europe in withholding her purchases on the assumption that she is waiting for the Canadian crop to move, feeling that when that time comes there will be a glut of wheat to be disposed of.

Figuring that Canada is starting in with a carryover of about 135,000,000 bushels, it becomes very plain that that country must sell every bushel of wheat raised for export during the coming year, as she cannot afford to add another 50 to 75,000,000 bushels to the surplus already being carried. A quantity of somewhere around 200,000,000 bushels left over on July 1st, 1933, would be a calamity, in our opinion, as it would depress next year's prices too much.

Now assuming that Canada will raise 475,000,000 bushels of wheat, there would be at least 350,000,000 bushels left for export. This past year the exports from Canada from August 1st, 1931, to July 15th of this year, were only 203,000,000 bushels; therefore, from now on exports must assume larger proportions at once to prevent further accumulations. Furthermore, these larger exports must take place during the next five months before Argentine and Australia come into competition, and it will require great salesmanship to accomplish this result; any other expedient which is attempted, in our opinion, will be absurd. The wheat must be disposed of.

As far as the United States is concerned, we have an exportable surplus of approximately 100,000,000 bushels from this year's raisings-- possibly a little less, but we also have made a poor start for the month of July, and it will be necessary that we also get rid of a large quantity, because by the end of the year the presumption is that the farm board will have disposed of all its holdings; so an equal carryover as this season's of 380,000,000 bushels would be too much for the farmer and speculator to hold.

The trade today was inclined to play for an advance owing to predictions of warmer weather in our Northwest, as well as in Canada, but no extreme heat is predicted, and doubt whether much damage will be done. Anyhow the spring wheat crops so far have been spared any great drought or black rust damage, and no likelihood of frost, which are the three chief diseases which threaten best results. Under the circumstances, we look forward to a crop considerably over 13 bushels per acre, or a minimum of 275,000,000 bushels for our Northwest. When the combined spring wheat crops once start moving to market, about 700,000,000 bushels or more, we predict there will be individual days when receipts at Duluth, Minneapolis and Winnipeg willsurpass all previous records, as to their size.

Primary receipts today were 2,143,000 bushels compared with 3,012,000 bushels last year. Stocks at Kansas City, Duluth and Minneapolis show a decrease so far this week of 50,000 bushels. Clearances were light at 140,000 bushels.

Corn was quite strong during the whole session in spite of rains in some territories, as there is more hot weather in sight for the corn belt.

Oats and rye continued to be neglected.

UHLMANN GRAIN CO.

# DAILY MARKET LETTER

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MINNEAPOLIS CHAMBER OF COMMERCE
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DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

July 25, 1932

The threat of Secretary of Agriculture Hyde and his committee to suspend operations on the Chicago Board of Trade for sixty days, beginning in about two weeks, was the disturbing element in our grain markets today. Fortunately, the President of the Board of Trade made it very clear that there is no cause for alarm nor any reason why trades should be closed out immediately nor why future commitments may not continue to be made with safety, as long as the Board of Trade has the right to appeal to the Circuit Court of Appeals; and it will be a long time before the question of who is right and who is wrong is finally settled. Those acquainted with the facts in the case have full confidence that on the evidence presented to the commission, the higher court will reverse the present findings.

Be this as it may, it will still remain a mystery why the commission should try to punish the Board of Trade like a small boy caught in wrongdoing. It is unthinkable that the commission should have believed the unanimous decision of the actions of the board of directors could be anything but an honest expression of what they felt was right. Even should they have been mistaken, certainly it was not necessary to attempt to discipline them, particularly when in so doing they would penalize a great many innocent people, notably the farmer. There is no question in our mind that the market today, which declined in spite of higher cables, was largely influenced by this Washington action.

Now, assuming the Stabilization Corporation still owns 60 or 70 million bushels of wheat, cash and futures, a difference of one cent a bushel would cost that organization $600,000 to $700,000; and as their losses are shouldered by the government, it punishes itself to that extent. Assuming that the farmers sold 2,000,000 bushels of grain -- wheat, corn, oats, rye, barley, etc. -- today and suffered through this decision to the extent of one cent a bushel, it would mean a quite considerable loss for this one day alone.

Had it not been for the reassuring statement by the President of the Board of Trade and the further fact the Board of Trade will not permit its doors to be closed without resorting to every available legal means to preserve its rights, these losses would doubtless continue for a long time, as large quantities of grain are being marketed daily.

Liverpool and every European capitol was informed over Sunday that it would be a wise policy to disregard the Washington action as far as the market is concerned. Therefore, there was no panic over there nor here when our session opened. In fact, the Liverpool market was considerably higher and ordinarily our prices would have sympathized with Liverpool. The strong European situation can easily be accounted for by the fact world shipments continue to be very small, only 8,164,000 bushels compared with 12,288,000 bushels last year. The amount on passage also decreased to a little over 33,000,000 bushels compared with 43,000,000 bushels in 1931. It looks to us as though Europe would be compelled

to buy more aggressively from now on. However, they are deterred from doing so on account of the artificial situation in Canada; they know that their prices would be lower were it not for the active buying of futures on part of the Canadian government. It seems that the Canadian government has become one of the largest speculators ever known outside of our Stabilization Corporation; but even governments have not inexhaustible wealth from which money can be drawn at will to finance hazardous and uneconomic operations. We believe Canadian artificial quotations can be held up only to the time when their wheat moves freely.

The weather was not very favorable in either our Northwest or Canada; on the other hand, it could have been worse. Temperatures were rather high, but not as excessive as they were last week and there were showers and rains at least in some parts. A continuation of this weather is in sight.

Primary receipts were very fair; although they make a poor showing compared with 1931, being 2,600,000 bushels and a year ago they were 6,116,000 bushels. Canadian marketings were only 120,000 bushels and it seems that the 5 cent per bushel bonus paid by the government finally induced every farmer to ship his wheat in while he had the opportunity. Clearances were extremly light, only 80,000 bushels. Visible supply shows an increase of 3,787,000 bushels compared with 6,930,000 bushels last year and the total is now almost 169,000,000 bushels compared with 206,000,000 bushels in 1931, or a decrease of 37,000,000 bushels. However, this can very easily be made up whenever spring wheat moves in earnest.

Corn acted independently of wheat on account of more favorable weather in the corn belt.

Rye and oats sympathized with the decline of other cereals.

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# DAILY MARKET LETTER

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MINNEAPOLIS CHAMBER OF COMMERCE
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DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

July 26, 1932

Cables were unexpectedly higher today and the foreign news rather bullish. Broomhall reported that an official estimate placed the new wheat crop of Rumania at 76,000,000 bushels, which compares with 135,000,000 last year. Europe's supplies are running down, and with no pressure in that market the smallest purchases affect prices favorably. At one time this morning their futures were about 6 cents higher than ours, and half the battle seemed to have been won. However, as both Winnipeg and our market improved more than did Liverpool, the immediate chances for export business have not been furthered.

To show how badly we need export business, we wish to point out that Bradstreet's clearances for the week were only 4,816,000 bushels compared with 5,774,000 last year, and from July 1 to date they have been a little over 14,000,000 bushels compared with 17,000,000 same time last season.

A better feeling in the stock market also was an influence. There seems to be no pressure whatsoever from the winter wheat movement on the small crop, and the line of least resistance seemed to have been in an upward direction. The question now will be whether the spring wheat movement and the farmers' sales in Canada which will gradually develop in very large volume beginning in a week or two, can be absorbed in view of the apathy in Europe. Maison Bodenheimer of Paris, a well-known authority, wrote us under date of July 13: "It is very probable that the harvest will be general around Paris within two weeks. The harvesting has started already in southern France and next week it will start in the central part. If the weather remains favorable, we shall have new wheat by the end of July. Next week we expect regular offers which will remain large until the middle of October. It is probable that during this period the markets will feel a pressure, despite the efforts of the associations of grain producers to influence the farmers to resist the decline by way of keeping their supplies stored on the farms. We are convinced that the crop will surpass considerably the amount necessary for home consumption and seed. The more one tries to delay the logical solution, the more terrible will be the final outcome. We have also seen in the past that if one tries to pull the rope too hard, it always breaks."

Weather conditions for wheat have been only partially satisfactory. There was comparatively little rainfall in our northwest andCanada and temperatures were reasonably high but did not touch the extremes which they did last week. Furthermore, the prediction is rather favorable, showers and cooler weather for all those territories being promised; and should they materialize it may change sentiment tomorrow.

Stocks at Minneapolis, Kansas City, and Duluth so far show a decrease of 3,000 bushels for the week. There were no clearances whatsoever today. Primary receipts, 1,385,000 bushels vs 3,082,000 last year. Bradstreet's visible shows a large decrease of 6,863,000 bushels, while in 1931 it had increased 4,377,000 bushels, and total supply is now 38,000,000 bushels less than last year.

As today's session progressed shorts covered freely and the market closed practically at the top. Winnipeg also showed great strength.

There was good precipitation in the corn belt, bringing about lower prices. Oats reached new low points on the crop, and rye was a little higher in sympathy with wheat.

UHLMANN GRAIN CO.

# DAILY MARKET LETTER

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DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

July 27, 1932

Liverpool cables were extremely strong today before our session opened, and although the advance was not fully held, that market showed a very firm undertone at the close, and foreign prices are considerably higher than they have been for some time.

There were many good reasons for the strength abroad. Broomhall claims that the importing nations probably will require as much wheat as last year, approximately 778,000,000 bushels, which is at least 50,000,000 bushels more than the tentative estimates on probable import requirements heretofore. The change is due to deterioration in the outlook in many of the Balkan states. In addition to this, the Liverpool market is out of line with all of North America, and the offerings from Argentina and Australia are very small at present, with hardly any charters made from Russia. It is quite plain that Europe must replenish her stocks.

Later on, when the spring wheat crops are moving, United States and Canada can furnish very large quantities, and could, we believe, clear as much as 450,000,000 bushels without reducing their carry-overs very much. On crops anywhere near normal, with the increased acreages, Argentina and Australia can supply 250,000,000 bushels and sundry countries, including Russia, about 75,000,000. This would make up the 778,000,000 bushels needed abroad.

The weather in the northwest and Canada has been just fair. Temperatures were cooler but there has been comparatively little precipitation, and some think more is wanted to prevent further deterioration in the spring wheat crops. We ourselves do not believe the damage to the spring wheat crop has been very considerable, although some reductions undoubtedly have taken place; and the consensus is that about 270,000,000 bushels will be gathered, which is better than an average crop and a quantity which will start to move before very long. Minneapolis began today by receiving 25 cars of new wheat, and this movement will continue all during the year, assuming very large proportions within four weeks. The same will happen in Canada; and, particularly with the higher prices now prevailing, there will be more inducement for the farmers to sell.

As the market gained strength shorts covered very freely, some reversed their position, new buyers came on the market, and finally we had an old-fashioned bull market, closing almost at the top. Minneapolis did not quite follow us, and this is a market which needs watching at the present time.

We still maintain that this upward movement can be held only if consumers will follow us, particularly the importers; and with this in view today's total absence of clearances is very discouraging, looking further into the future.

Primary receipts were 1,756,000 bushels vs 4,577,000 last year. Stocks at Minneapolis, Kansas City, and Duluth show a net decrease of 183,000, bushels. Receipts at interior points in the southwest are still very fair considering the size of the crop.

Feeling in corn was very bearish at first, but it all changed when wheat became so very strong, and corn, oats, and rye all showed considerable improvement.

UHLMANN GRAIN CO.

# DAILY MARKET LETTER

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KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

July 28, 1932

This was the third day of a strong, advancing wheat market. Higher prices, whether in stocks or commodities, always bring new buyers into the market, and for the duration of such upturns actual conditions are usually ignored. Such movements sometimes last longer than would seem possible, but finally an adjustment comes unless the advance has been based upon conditions which justified it.

Looking backward, we may now review the conditions that stimulated this advance, and find that several occurrences took place practically all at the same time. Broomhall talked of deterioration of the wheat crop in the Balkan states, while our crop experts here reduced their estimates on yields in our spring wheat territory and Canada. Simultaneously, the stock market advanced considerably. Therefore, considering that to the outsider wheat already looked very cheap, there was no difficulty in obtaining buying orders, all of which naturally lifted prices.

Now to analyze these various items for our readers, we feel that the shortage in the Balkan states can easily be made up by larger crops in Germany, France, and Spain. Even Broomhall does not claim that European requirements will be larger than last year. In 1931 the demand from the orient was extremely large on account of a failure of the rice crop. Such is not the case this year; so taking everything into consideration, it is not likely that the demand from the importing countries this year will be as large as last. Probably they will be smaller; and so far, in the first month of our crop year, we are falling behind.

Doubtless some damage has been done in our northwest and Canada, but we believe it has been largely exaggerated; and one of the crop experts reports today that North Dakota will raise one of the largest crops harvested in recent years. In Canada there is not one of the three provinces which has a really poor crop, which is very extraordinary. They are all at least average or better; and judging from last year's yields it is more than likely that all of Canada will produce at least 450 to 475,000,000 bushels of wheat. So it seems to us almost inconceivable that they can export a sufficient quantity to prevent another increase in their carry-over.

The stock market influence is of course principally sentimental, and there is no guarantee that it will continue daily, so that its final effect should not be overestimated, as the quantities of wheat raised and consumed are, after all, of major importance.

The Liverpool market was quite strong, a minor part of which can be accounted for through the decline in sterling exchange. At our close today their October wheat is only 4 1/2¢ over ours and December only about 2¢ over. This of course permits of no export business.

July 28, 1932

While our market showed great strength all during the morning, there was finally a reaction of over a cent a bushel from the top. This was caused partially by liquidation, brought on by the comparative weakness in Winnipeg, that market closing about unchanged from yesterday.

Although fully appreciating what speculation can do to markets temporarily, as evidenced during 1929, we still prefer to judge the final outcome of wheat prices on the merits of that article; and we conclude that whenever spring wheat moves we must have better export outlet to sustain values. It looks to us as if our northwestern wheat crop would be practically made by August 10, and by that time, if not before, we shall see an ever-increasing movement, more than will immediately be wanted for consumption, part of which will be hedged, thus bringing additional pressure on the market which is lacking at the present time. The same refers to Canada, although their movement will start later.

Stocks at Minneapolis, Kansas City and Duluth show a decrease so far for the week of 410,000 bushels; the chief decrease of course being at Minneapolis. Primary receipts were light, 1,443,000 bushels compared with 3,539,000 bushels last year. Shipments were also very light, 544,000 bushels vs. 2,618,000 last year. Today for the second consecutive day no American wheat was cleared.

Corn was favorably influenced at times in sympathy with the sister cereal, but with the fine prospects and heavier sales to come to Chicago it finally receded again. Rye was somewhat higher, and oats continue neglected.

UHLMANN GRAIN CO

# DAILY MARKET LETTER

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FORT WORTH GRAIN AND COTTON EX.

July 29, 1932

The Liverpool market fluctuated considerably before our opening today, by which time it had declined about 5/8-cent a bushel, though most of this was recovered before their close. Sterling exchange was weak again today and shipments destined for Europe are extremely light.

Australia, Argentina, and Russia together cleared only a little over 2,000,000 bushels for the week, therefore we would guess that the world's shipments would be very small again: possibly only 8,000,000 bushels, compared with an average last year of about 15,000,000 bushels a week. So far for the first four weeks, the importing nations have received only 9,500,000 bushels. We believe the oriental demand has dropped off greatly. Last season at this time we heard a great deal about famine in China and high prices for rice in the orient, stimulating wheat purchases. Apparently there is no extraordinary demand this year.

Weather conditions were about a stand-off. Temperatures were entirely satisfactory in both our northwest and Canada, but there was no further precipitation, which would be desirable. However, we believe the crops are making fair progress; and while the spring wheat crop might have declined 20 to 25,000,000 bushels, it will still be a large one, assuming the final returns show about 270 to 275,000,000 bushels. Most authorities still consider a crop of 450,000,000 bushels for the three provinces as entirely probable, or perhaps 470,000,000 for all of Canada, which might give an exportable surplus of considerably over a million bushels a day during the whole crop year. There are no signs as yet that any such quantity will be called for.

Paris cables that the wheat market there broke sharply owing to weather conditions greatly benefiting the crop. Summarizing the European outlook, we find that while the crop has deteriorated in some countries, it promises very large returns in others as compared with last year, and it looks to us like fully an average crop covering the whole territory.

We believe that the greatest influence in the wheat market during this advance has been the strength in stocks and, in a smaller way, in cotton; but we believe wheat must stand on its own bottom this year. Sentiment might help it some, but wheat has not been liquidated like other commodities, except in price. In a free, open market, supply and demand usually adjust themselves sooner or later, and this has been general in commodities. However, with Australia and Canada paying bonuses to the wheat farmer and the farm board holding up the price here, wheat acreages have not been liquidated. On the contrary, they have been stimulated; and Australia and Argentina both have sown more wheat than last season.

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July 29, 1932

The market at Kansas City, the second-largest milling center in this country, was extremely weak today and really led our decline. We were advised that the higher grades of protein wheat declined in price and that the demand for wheat on the part of millers was extremely poor. In our long experience in the cash business, we have very seldom seen the demand for wheat, both domestic and export, regarded from the viewpoint of the elevator, so poor at this time of the year as at the present time. In other words, it is more difficult to sell wheat than to buy it. This despite the fact that the elevators are all reasonably full.

Clearances were 16,000 bushels all from New York, and were the first clearances of domestic wheat and flour in three days. We believe the month of July will show up as one of the smallest months in years for United States wheat clearances. Stocks at Kansas City, Minneapolis and Duluth show a net decrease of 422,000 bushels. Primary receipts were somewhat better 1,700,000 bushels vs. 3,286,000 last year.

Corn, oats and rye all sympathized with the sister cereal and closed lower.

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July 30, 1932

Liverpool cables were very weak today, and as July has now expired the next trading future in that market is October wheat, which is selling only one cent higher than our December. We still believe, therefore, that purchasing the one and selling the other will finally prove advantageous.

It seems quite clear to us that we cannot operate the next eleven months of our crop year as we have done the first one: by remaining indifferent to the prices being paid abroad, as long as we have such an enormous amount of wheat to sell above home consumption. This is the reason why, in the face of greatly changed sentiment in favor of higher commodity prices and advancing stock markets, wheat could not hold its bulges very well this season. There is always too much pressure on the market, which must be relieved before the situation becomes sound.

It is quite true that the price is extremely low in all exporting countries, but such is not the case in the importing ones as they are protected by such high tariffs. In the three largest consuming countries with the greatest population, Germany, France, and Italy, wheat is selling high enough so that none will be wasted and no extraordinary consumption is taking place. Wheat there is selling close to $1.50 a bushel. It is very much cheaper in England, where there is no protection; but with the depreciated currency as compared with other years, it does not seem so very low, as the price would be about 80 cents a bushel under normal exchange conditions. The average man does not fully understand about the effect of exchange fluctuations on prices and merely considers the quotations as compared with other years.

During most of our session the market had a firm undertone, although finally the advance was lost. The trading was very largely local, influenced by weekly privileges which expired today, and there was a great deal of evening up. Winnipeg showed great weakness at all times, which is easily understood, as Canada is faced with the greatest wheat-marketing problem she has ever encountered. An official report shows that exports for the week ending July 22 amounted to only a little over 3,000,000 bushels and the previous week a little less than 3,000,000; and total for the seven months since January 1 were given as 101,000,000, although we believe the flour exports were not included in this latter. However, according to our calculations Canada must export over a million bushels every business day for the next 12 months to avoid an increase of 25 to 50,000,000 bushels in her carry-over. To carry such a quantity into the next crop would be almost disastrous to the farmer next season.

Primary receipts were 1,723,000 bushels vs 3,452,000 last year. Clearances, all from New York, amounted to 117,000 bushels vs 184,000 last year. So far this week stocks at Duluth, Minneapolis, and Kansas City show a net decrease of 526,000 bushels.

Corn closed higher in spite of most favorable crop prospects, but oats and rye were neglected and did very little.

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August 1, 1932

There were no cables to guide us today. In addition, the Winnipeg market was closed; and as there is always quite heavy trading and spreading between there and Chicago, the volume of business suffers when these markets are not open.

Weather in our northwest and in Canada was construed as reasonably favorable. Temperatures were not extremely high anywhere. There were some good rains in North Dakota, and scattered showers at other places. The prediction also indicates more precipitation for the next few days, in consequence of which our market opened weaker and had a moderate decline. The strength in stocks had a stimulating effect at times, but at the close somewhat lower prices prevailed, though only moderately so.

Minneapolis receipts were quite heavy compared with what they have been of late, about 100 cars of new wheat having been received; and from now on the movement in the northwest will have to be watched because if the receipts are larger than immediate consumption the balance will have to be hedged.

The world's carry-over on July 1 is estimated at 640 million bushels compared with 654,000,000 previous year and 615,000,000 two years ago, plainly showing that for the last three years consumption and production have about equaled each other; and we think this will be much the same for the fourth year as well. It must be inferred, therefore, that no overproduction exists at the present time and that the low prices must be attributed to the heavy accumulations which started in 1928, when the world's carry-over was only 347,000,000 bushels and in 1929 when it was 443,000,000 bushels.

The natural conclusion is that for a while we must have underproduction in wheat in order to use up these extra accumulations, before wheat can attain a sound basis. When it is further considered that out of the 640,000,000 bushels carried over this year about 500,000,000 are located in the United States and Canada, it is evident that North America must make every possible effort to export more wheat.

Canada's actual exports from August 1, 1931, to August 1, 1932, were only 208,000,000 bushels, with one week yet to go, and the year before they were only 268,000,000 bushels. If it is a fact that Canada probably will have from 325 to 350,000,000 bushels of wheat for export this season, she must start immediately to ship on a very large scale to prevent what would be a surplus for another year of greater proportions than ever and calamitous to the farmer.

Clearances today were very light, making a poor start for the month: only 24,000 bushels. Last year they were 1,550,000 bushels, which probably was very exceptional. Primary receipts 2,488,999 bushels vs 4,962,000 last year. Visible supply increased 1,535,000 bushels, but it actually increased 3,211,000 more, as a different system was adopted insofar as the Toledo stocks were taken out.

Corn was extremely weak, most of the corn states having received additional moisture, and a bumper crop is now almost assured. Oats and rye sympathized in the decline of other grains.

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FORT WORTH GRAIN AND COTTON EX.

August 2, 1932

The Liverpool and Winnipeg markets were closed yesterday. Therefore Liverpool was influenced by our late decline of Saturday and another break in our market yesterday; they showed no independent strength and sent very low quotations. This in turn affected our opening here and as the session progressed it became very plain that the recent purchases, on part of eastern speculators who had followed the stock market, were not followed up by new orders, and buying power was lacking. Back of it all, of course, is the poor export demand from abroad. At this time of the year, when first the winter wheat comes on the market and then the spring wheat; we need, as a partial offset, export sales beside domestic ones. However, during the month of July, all importing nations have received only about 47,000,000 bushels of wheat which at this rate, if continued, would amount to only 564,000,000 bushels for twelve months, while the estimated import requirements are about 776,000,000 bushels, same as in 1931. In comparison with last year, all exporting countries cleared about 13,000,000 bushels less than the previous season. It is true that North America has not suffered equally as Argentina and Australia; but nevertheless all exports from North America were only 30,000,000 bushels, or at the rate of 360,000,000 bushels a year, and North America probably, including its carryover, has 950,000,000 bushels to spare for export and surplus for the next season. It cannot be too often repeated that until the situation is rectified our wheat market will not be in a sound position.

The weather over night had been reasonably favorable in the northwest and Canada; temperatures were moderate and normal and there was some precipitation.

The new wheat crop movement in the spring wheat territory will begin in earnest soon and will increase the hedging sales considerably.

All this tended to create a bearish feeling and liquidating sales, as well as short sales, were abundant.

Stocks at Minneapolis and Duluth decreased so far this week 601,000 bushels. There were no clearances whatsoever today and we would not be surprised if the clearance from United-States during the last four or five days were as small as they ever have been. Primary receipts were 1,446,000 bushels compared with 2,749,000 bushels last year. Minneapolis received 40 cars of new wheat. Canadian marketings for two days amounted to 541,000 bushels.

The private experts came out with their estimates and on an average they make the crop about 24,000,000 bushels smaller than the government estimated it last month. However, we are inclined to believe the government's figures will not give us quite as sharp a reduction. They also figure the Canadian crop, for the three Provinces, at 447,000,000 bushels which would give for all of Canada about 470,000,000 bushels and with the Canadian carryover, this would amount to about 600,000,000 bushels, a quantity which will prove to be a burden on the market all the year round.

The corn crop was estimated to be close to 3,000,000,000 bushels, but with the fine weather we have had since the estimate was made, we believe the crop will exceed that amount. This report had a detrimental affect on the price of not only corn but oats and rye as well and all these cereals closed lower.

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FORT WORTH GRAIN AND COTTON EX.

August 3, 1932

Cables were extremely weak before our opening this morning. The price abroad was only about 56 cents for March wheat, and on the basis of May wheat in Chicago this seemed to be so cheap to a great many operators that the spreading orders were encouraged between that market and Chicago. This together with the carried-over feeling from yesterday, caused selling at the start; but apparently yesterday's liquidation had been quite thorough.

As the session progressed there were buying orders from the east in very large volume, these undoubtedly encouraged by a stronger tendency in the cotton market, also by the great strength in securities. Prices were easily advanced and new pressure was not much of a factor.

We point out at this time, as we have in the past, that whether today's buying was the result of pool operations or simply speculative enthusiasm, the important item to be watched is the European buying, because that finally will determine prices for wheat in Chicago. It makes little difference whether the speculators act in unison or individually, they must be right in their operations if the tendency is to remain upward. After yesterday's figures that were given to the trade, statistical news should convince the foreigner that North America will have large supplies all season. Later on there might be disappointments in Argentina or Australia, which would alter the demand situation; but right now it behooves us to keep prices in line so that grain can flow out into export channels.

There is some talk that the farm board is pretty well out of its holdings, and if this is the case (and we presume it is) then certainly there will be practically as much wheat in North America as a year ago, all of it available for purchasers. A healthy situation can come legitimately only when grain stocks are reduced. We have also pointed out that the world's production now is not excessive: it is simply the accumulations from past years that are doing the harm. Time alone will heal this situation, but we hail the day when grain will again be handled by the grain trade without trying to uphold prices artificially. All experiments in other countries on the various commodities have ended up in returning to private ownership and handling those commodities in which the governments themselves had failed.

Primary receipts were 1,351,000 bushels vs 3,739,000 last year. Clearances were fairly heavy, 282,000 bushels vs nothing a year ago.

Corn derived most of its sympathy, as did other cereals, from great strength in wheat, and on buying orders closing prices were at material advances.

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# DAILY MARKET LETTER

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FORT WORTH GRAIN AND COTTON EX.

CHICAGO August 4, 1932

The Liverpool market responded partially to our sharp upturn of yesterday before our session opened but during the day it improved further, finally coming up to expectations. However, it must always be borne in mind that the Liverpool futures, representing really the whole of middle Europe, are still selling at ridiculously low prices compared with ours, their March and our May wheat being at practically the same levels.

To demonstrate what such an extraordinary situation does to our farmer, we call attention to clearances of wheat and flour for the whole month of July of about 3,000,000 bushels. This compares with 17,000,000 last year and is at the rate of 36,000,000 bushels per year. We doubt whether in the last 30 or 40 years clearances have been so small in the month of July. Nothing but a widening of the differences between Liverpool and Chicago can change the situation.

That our wheat market was still very strong at times today, in spite of these facts, which are well known, was not because anybody thinks the statistical position is sound or that wheat is worth the money or because it is likely to be merchandised now or later at higher prices. The strength was due rather to several theories and rumors, which may or may not have some foundation in fact.

One theory is that we shall have inflation in this country. To this we pay no attention whatsoever. Congress is not in session now, and in the absence of congressional action there is no possible question of our notes being exchangeable for gold. Such inflation as would help wheat prices would have to be of the sort that would place gold at a premium and work against foreign exchange. Liverpool exchange, selling at a greater discount than in some time (under 3.50) certainly presents no apprehension of our currency abroad.

Another theory was that a large pool had been formed to help commodities; that money can be borrowed of the Reconstruction Finance Corporation against commodities, etc. We ourselves have very large quantities of wheat in our elevators and have no difficulty in borrowing at extraordinarily low rates. There never has been any difficulty in borrowing on grain, and the Finance Corporation is not needed for that purpose. That body will not loan money for margins, having no right to do so; and those who wish to buy wheat on margin, if influential stock houses, can probably do so without borrowing. It does not take much money for this purpose, though it might involve a great risk. Furthermore, we had a pool for three years: namely, the farm board pool, the results of which are well known. No other pool could have one-tenth the strength of that one. So we discard all these theories and advise our customers to continue watching actual conditions to see what wheat is worth, which is the price at which it will eventually sell.

When, toward the end of today's session, the eastern orders which had been responsible for the advance yesterday were not followed up with new purchases; when the stock market gave way somewhat; when cotton lost its early advance, some doubt was expressed as to the correctness of the theories herein enumerated, and wheat lost the greater part of its gain. It will still be a week or two before hedging sales come in large volume from Canada and Minneapolis, by which time we believe we shall have a more natural market.

Stocks at Kansas City, Duluth, and Minneapolis show a decrease of 788,000 bushels. The chief decrease was at Minneapolis, where receipts of new crop are still very light, about 80 cars, and probably will not increase heavily until the middle of August. Primary receipts were 1,461,000 bushels vs 2,557,000 last year. Clearances were very light, 136,000 bushels vs 895,000 last year.

Corn, oats, and rye all followed the leading cereal very closely and showed comparatively small changes at the end.

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KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

August 5, 1932

Cables were quite strong before our session opened, and Liverpool paid very little attention to our decline after their close yesterday. The reason is not very far to seek. World's shipments continue at a rate much below requirements. Argentina and Australia cleared only about 3,000,000 bushels, which will probably make the world's shipments only a trifle over 9,000,000 bushels, while it is a generally accepted assumption that 14,000,000 bushels a week will be needed to fill the requirements of the importing nations. It still remains a mystery why Europe is holding back to this extent in the face of continued reports of crop deterioration. Some time ago it was reported that the Balkan States would have hardly any wheat for export, and now Poland is added to the list claiming damage from rust. Evidently the larger countries, Germany, France, and Italy, must make up the deficiency of the other parts of Europe.

The export situation is in our opinion the paramount element in deciding the final outcome of wheat prices. We therefore wish to emphasize, even at the risk of undue repetition, the small export clearances of wheat and flour from the United States during the month of July, only 3,000,000 bushels out of a total of 47,000,000 exported from all countries. These exports were less than 9,500,000 bushels a week. We find that last year the exports to the United Kingdom amounted to about 258,000,000 bushels, or practically 5,000,000 a week, and to non-European countries about 187,000,000 bushels, over 3,500,000 a week, showing that those two agencies took an average of 8,500,000 bushels of wheat a week. The requirements of the United Kingdom vary but little from year to year. They raise only a small quantity themselves, and must take about the same amount from exporting nations every year. Consequently, the decline in demand must be mostly in the orient, because certainly other countries than the United Kingdom need wheat; yet the total so far has been only a trifle over 9,000,000 bushels and it will be scarcely any more this week.

Wheat showed a **firm** undertone during most of our session. Local buying was influenced slightly by the purchase of 700,000 bushels of hedges necessitated through the destruction by fire of an elevator last night. Also the Modern Miller was rather bullish in its report of the American northwest and Canada, claiming that sufficient deterioration has occurred to justify the belief that the optimistic reports of private experts may not be realized. Strength in the stock market also influenced considerable buying. As usual after sharp advances, liquidating sales took place, and there is so much wheat hedged now that new buyers are required right along to maintain values.

Primary receipts were only 1,192,000 bushels vs 2,750,000 last year. Wheat clearances amounted to 213,000 bushels vs 91,000 last year. Stocks at Kansas City, Minneapolis, and Duluth showed a net decrease of 484,000 bushels. The spring wheat movement in the northwest is still light, about 60 cars of new wheat being received at Minneapolis, In ordinary years the height of the movement is not reached until about Labor day, but this year, due to an early crop, it should be a little sooner.

Corn, oats, and rye showed firmness at times in sympathy with wheat, but finally lost all their advance.

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FORT WORTH GRAIN AND COTTON EX.

August 6, 1932

To write an intelligent letter on grain it is necessary occasionally to digress to some extent from the main topic and consider the outside factors affecting the price of grain, particularly wheat. We try to give both sides impartially.

The merchant who buys and sells wheat for domestic purposes is in touch with the milling trade and with the export requirements, and is naturally influenced by what he finds therein. He considers the price of Liverpool wheat, which reflects the values of all the continental markets, and finds that the October future there can be purchased at only 2 1/4 cents over ours. In view of all the charges from here to New York and across the ocean, this looks ridiculously cheap compared with prices in Chicago, and even more so when it is noted that the March future in Liverpool is selling at 58 1/4 cents, or 4 cents under our May.

No matter what happens, it is not thinkable that this condition can prevail throughout the crop year. Europe will have to buy some wheat in North America, and we must sell ours, and a more normal parity between these two markets is bound to be established. Strange as it may seem, Europe, whose merchants have a world-wide knowledge of conditions, is not at all excited. Purchases are still made sparingly, as the buyers feel assured of their position. We believe the world's shipments will again be less than 9,000,000 bushels, compared with about 15,000,000 last year; yet very little is purchased ahead.

Other considerations which had a dominant influence this week were the great strength in the stock market and the general consensus that commodities are selling too low and that speculative purchases are advisable. There was enormous encouragement from that quarter, yet at the end of the week, in the face of a boiling stock market, our September wheat is selling only 2 3/4 cents higher than last Saturday. The conclusion, therefore, is the position we have consistently maintained: that after all, inherent conditions pertaining to any one commodity are the most decisive factors in establishing prices of that commodity.

As long ago as July 11, when we called attention to the great improvement in the farm condition, the general purchasing power, and the well-deserved advance in prices of a number of commodities, such as livestock, eggs, butter, poultry, etc., we concluded as follows:

> "Therefore, we believe it is time to look with more optimism on the general business situation. It is bound to increase consumption of various merchantable articles. The only commodities which in our opinion will not share in the advance will be wheat and cotton, because on account of the Farm Marketing Act same had been accumulated to such an extent that it will take more than one year to bring about a readjustment."

We have not changed our opinion as expressed at that time. A continuous rise in stocks and other commodities will temporarily influence wheat, bringing accordingly higher prices; but finally the consumer and the importer will have a great deal to say about the value. We give no credence to the general gossip that pools have been formed to accumulate large lines of wheat, but still believe that instead great individual purchases have been made; also that the old pool, the farm board, is selling steadily and consistently.

Primary receipts today were 1,231,000 bushels vs 2,448,000 last year. Clearances were only 19,000 bushels, but statistics in general were entirely ignored.

Corn, oats, and rye shared in the general advance of everything else.

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# DAILY MARKET LETTER

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MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

CHICAGO August 8, 1932.

Europe remains extremely apathetic to our wheat quotations, and the excitement which is prevailing here is not shared on the other side. This seems all the more strange as the amount of wheat on passage is being gradually reduced-- this week again at the rate of 4,000,000 bushels, so the arrivals there for some time are bound to be very small. In addition, purchases made here for their future wants are also insignificant; New York reports that only four steamers had been fixed this past week. Possibly one of the reasons may be the good outturn in some of the most important countries, like Germany and France. There was almost a collapse in prices today at Paris. On April 1st wheat for August-September-October delivery in Paris sold at $1.40 and today it is selling at $1.16-- a decline of 24¢, while we had declined during that period about 8¢ per bushel.

Very little attention, however, was paid to actual wheat conditions, and advances and declines right thru the session were a mirror of the stock and cotton markets.

At the close tonight Liverpool December wheat is selling below ours and their March wheat is selling at about 3 1/2 to 4¢ under our May. The conclusion, therefore, is very plain: inasmuch as the wheat market receives all of its inspirations from other sources, and as we are out of step with other exporting countries, like Canada, and not in line with importing countries, continued encouragement will be needed from the same sources to maintain values. This may come about and while it lasts our market may advance, but some day much of the wheat which was purchased for speculative purposes, and not for consumption, will have to be sold, and whenever more normal conditions exist we are bound to be more in line with the balance of the world.

As a proof that wheat and stocks do not always follow each other, we want to call attention to the fact that last Saturday wheat sold at five cents a bushel higher than a year ago, and Liverpool then was six cents over us while Saturday it was 1/4¢ under; nevertheless thirty industrial stocks are selling for less than one-half of what they sold for a year ago, the same applies to utility stocks, and railroad stocks are selling about one-third of what they were then.

World shipments this week are 8,012,000 bushels compared with 15,834,000 last year, and the total so far since July 8th is about 55,000,000 bushels against 71,000,000 in 1931, or 16,000,000 bushels less.

The chief deficiency comes from Australia and Argentina, although North American shipments are a trifle less than a year ago. Canada actually shipped more, but the United States a considerably smaller amount. The United States wheat clearances are bound to be extraordinarily light this season inasmuch as clearances in July were only 3,000,000 bushels; in other years for the first four months, July, August, September and October, they were as follows:

| 1931 | 1930 | 1929 | 1928 |
|---|---|---|---|
| 56,928,000 | 71,721,000 | 63,525,000 | 72,453,000 bus. |

The outturn of the last Canadian wheat crop is now estimated to be 16,000,000 bushels more than the previous Government report, or 301,000,000 bushels for the three Provinces. Therefore, if the crop this year in the three Provinces should be about 440,000,000 bushels, Canada would have to export 139,000,000 bushels more than last season to have the same carryover.

The visible supply increased only 992,000 bus. compared with 8,269,000 last year, and the total is now over 48,000,000 bus. less than a year ago. We expect bigger increases from now on on account of the spring wheat movement starting. Clearances were light- 128,000 bus. Primary receipts were fair at 2,017,000 bus, against 3,387,000 last year.

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r surplus must be disposed of to a large extent before January
rst, because then Argentina and Australia will come on the market
th their offerings, and these two countries export on an average
250,000,000 bushels a year, of which possibly 70% is sold during
e first six months of their crop year.

rn and rye followed sympathetically with the advances in wheat,
t oats only to a very small extent.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

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MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

August 9, 1932.

Liverpool wheat cables were very disappointing today; while they should have advanced about 1¢ a bushel in sympathy with our strong market of yesterday, they had declined before our session had opened, and were also about 1/2¢ lower at their close. This naturally was a very bearish factor, but nevertheless it should not have been the deciding influence had not Wall Street stocks also shown some weakness. In fact, during the whole session whenever stocks showed some firmness wheat immediately sympathised with them.

Two conflicting theories are making our market at the present time. One one side are those who consider the stock market influence as only very trivial as a long-time proposition, and therefore, feel that prices are too high. On the other hand, there are those who believe if the stock market goes up speculative sentiment will create many new buyers, and that the importance is so great that wheat prices can be lifted in spite of the bearish statistical position. If our past experience is worth anything, we think wheat is being less influenced in the long run by outside conditions than almost any other commodity, because the consumption of wheat varies but very little with the price. This is not so with corn for instance, where an additional 500,000,000 bushels may be fed if the price is low. In fact, as far as corn is concerned, every five or ten cent advance or decline changes the consumption. If this theory is correct, and as we know now about the amount of wheat which is available and the amount of wheat which is wanted, the statistical position still does not justify any advance. As long as the most deferred future in Liverpool, March wheat, is selling below 60¢, and our futures selling at the price they are, there is no chance for any sizable export business, and this year more than ever before in the history of the wheat trade this export business is imperatively needed to reduce our burdensome stocks.

The time to be bullish on wheat is when there is a prospective scarcity, short crops or a big consumptive demand all over the world, either on account of reduced stocks or crop failures somewhere, but without this demand, and nothing in sight except that certain speculators are buying wheat in the hope of transferring their load to others, it will not result in the utmost good in the end.

The wheat market acted tired at various times during the session when there were moderate recessions in the stock market. To show again how little help had been extended from that course, we wish to point out that today both wheat and corn actually closed about unchanged from last Saturday after we had a phenomenal rise in stocks and very sensational trading in Wall Street on Monday.

Last week's export clearances, according to Broomhall, were only 898,000 bushels from the United States, while Canada shipped 3,811,000, showing clearly what happens when foreign wheat prices are being ignored.

United States wheat clearances continue to be light, only 96,000 bushels today from all ports. Primary receipts were 1,281,000 bushels compared with 1,723,000 last year. Stocks at Kansas City, Duluth and Minneapolis show a decrease so far this week of 94,000 bushels.

Corn, oats and rye all sympathized with wheat and closed lower.

UHLMANN GRAIN CO.

# DAILY MARKET LETTER

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KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

August 10, 1932.

Liverpool wheat cables were rather weak before our session opened, altho the net decline was not anymore than an offset against the decline we had after their session had closed. Furthermore, it must be taken into consideration that sterling exchange was about two points better. The strength in sterling is supposed to be due to the fact that Europe is starting to resell some of its Wall Street stock purchases.

The weather is warm in Canada, but showers are predicted. According to Broomhall, weather in Europe is improving and favorable for harvesting. There is no chance for any export business, and the basis for speculative purchases is entirely in sympathy with efforts made on part of the Washington Government to boost commodity prices, and also in sympathy with stocks. Therefore, when the stock market became very strong wheat immediately sympathised with it, and the reactions were very few until the market had advanced about 2 1/4¢. This pricemust have been tempting to some of the longs who had accumulated big lines to realize profits, and selling took place on a very much larger scale than heretofore, which brought about a reaction so that finally some of today's advance was lost.

The weak points are in the foreign situation. Up to last Monday the total world's exports were only 55,000,000 bushels versus 76,000,000 last year, since July 1st. A reduction of 21,000,000 bu. exports in so short a time is quite serious unless it is made up later. However, Europe is not yet in a buying mood, and the sales ahead are very small. This can easily be explained by the fact that France permits imports of only about 3 per cent foreign wheat, Italy 5 per cent; and Germany has raised enough to supply herself. Therefore, of all the European countries of large population there is left only England, which takes her usual quota of about 4,500,000 bushels a week, but, knowing she can get it whenever she wants it, she is not stretching out for it. The Oriental demand also seems to be less than normal.

As for the immediate future, we must recognize that we are in a great speculative market and one can never tell how far the fever will carry prices; however, if not justified by actual conditions, such markets usually end in disaster. Italso should be remembered that we are on the eve of a big spring wheat movement, that hedges will be on the increase, and we observe already a large increase in the open interest. Last year at this time world's shipments were very large, averaging considerably over 15,000,000 bus. a week right into October, and there were some weeks when they were as high as 19,000,000 bushels; there are no signs that anything like this will be repeated this season.

Stocks at Kansas City, Duluth and Minneapolis show a net decrease so far this week of 61,000 bushels. Primary receipts were 1,134,000 bushels compared with 1,869,000 a year ago. Wheat clearances were only 40,000 bushels.

Corn was reasonably strong while wheat advanced, but without this support it showed immediate weakness and closed lower. Rye also followed wheat more or less. Oats continued to remain neglected and weak.

This afternoon the United States Government will issue a crop report, as well as the Canadian Government. Should they be radically different from what was expected, of course, they will be of the greatest influence tomorrow, altho the final close of the stock market will also be quite a factor.

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KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

August 11, 1932

After yesterday's session had closed both the United States and the Canadian Government published official crop reports. The United States report on wheat was construed as being bearish The total yields are estimated to be about 14,000,000 bushels less than a month ago, but during all this time we had been advised by crop experts and the trade in general that the Northwest crop had largely deteriorated. Total yields, if correct, are about 722,000,000 bushels and considerably smaller than a year ago.

The Canadian Government report was not quite as easy to analyze; no guess was made as to the amount of bushels, but the condition was given as 88 compared with 54 last year, or 60% more. Various parties, all reliable, gave different interpretations of what the yield finally might be; they differed from 420,000,000 to 460,000,000 bushels for the three provinces. Last year the estimate at this time was only 215,000,000 bushels and yet Canada finally produced over 301,000,000 bushels.

We are inclined to think that the total outcome of the United States and Canadian crops together will not vary a great deal from the previous season. When we furthermore consider that these two countries combined accumulated a surplus of 50,000,000 bushels, that an extra 50 to 75,000,000 bushels were fed, it becomes very plain that our exports this year must be very much heavier than in 1931, or else the situation here on July 1st, 1933, will be worse than it was last season. So far, of course, exports are very much smaller and promise to be so at least for some time, and with the restrictions for importations on part of France and Italy the outlook is not particularly good. As far as England is concerned, she will take her quota of 4,500,000 bushels weekly, but she must rely on getting large quantities later on from Australia and Argentina, as futures for March wheat in Liverpool are selling only a trifle higher than the October wheat, while here there is a difference of almost 8¢ between our September and May, which period, of course, is three months longer. Liverpool March wheat is selling about 3¢ under our May, so theoretically, were there no tariff, we would be nearer an import than an export basis, particularly when it is considered that ordinarily wheat in New York sells about 10¢ higher than in Chicago.

The weakest market today was Minneapolis, where they had the first big receipts for a week day, and from now on we expect continued pressure both from our spring wheat territory and from Canada.

The stock market was still watched very closely and any strength shown there was immediately expressed in higher wheat prices. However, from now on we expect, unless there are sensational advances or declines in stock prices, wheat will be more judged according to its own merits, and this stock influence will be partially lost.

There seemed to be tremendous liquidation at times today, and considering this the market really gave a fair account of itself, altho closing quotations were about one cent lower than yesterday, but the market showed very plainly that it has not yet lost all of its friends.

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FORT WORTH GRAIN AND COTTON EX.

8-11-32

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Clearances continue to be extraordinarily light, being only 56,000 bushels. Primary receipts are commencing to make a little better showing in comparison with last year-- 1,389,000 bushels against 1,790,000 in 1931. Canadian marketings were 242,000 bushels and ought to increase steadily from now on.

The Government report on corn on the face of it was bullish when not analyzed very carefully. However, the par was arbitrarily reduced two bushels per acre, which will be added next month on the assumption of the usual deterioration in August. The trade, however, assumed that this will not be the case this year with plenty of sub-soil moisture; therefore, after an early advance the market sagged again.

Oats remained indifferent. Rye closed lower in sympathy with wheat.

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# DAILY MARKET LETTER

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FORT WORTH GRAIN AND COTTON EX.

August 12, 1932.

Liverpool wheat cables were weakagain today, particularly on the nearby future- October wheat- which sold about one cent less than yesterday. That the European markets should continue to be weak in face of diminishing stocks, a small amount on passage, few purchases made ahead and prospective light world shipments, must set every student of economics thinking. Last year in the corresponding week Russia alone cleared 4,500,000 bushels of wheat, compared with none this year, and it was easily understandable then that all of Europe should be careful about laying in heavy stocks. World's shipments then, same week, were 12,500,000 bushels; this year they probably will not be more than 7,500,000 ushels, and yet the greatest indifference is shown about making ew commitments. The questions naturally arise : Has there been ny radical change in European requirements? Have the high duties of France, Italy and Germany finally enabled Europe to ecome reasonably independent of the balance of the world?

As far as the United States is concerned, we believe that during the months of July and August our exports will hardly be more than one-third of what they were last year, when they were 29,000,000 bushels, and even that quantity in 1931 made an unfavorable comparison with previous years. Whatever the causes may be, English millers and merchants evidently have made up their minds to wait for their supplies until the Canadian crop moves more freely. Up to now it was believed that with the absence of offerings from Argentina and Australia this could not be done, but we are now within the period when the Canadian wheat actually will move in commercial quantities and when Canada will be compelled to dispose of her extra surplus in large amounts. Canada will easily have to sell one million bushels every business day, and still more, to make her position sound for another year.

This continued weakness abroad could not help but have a sentimentally bearish effect on our market, and prices naturally declined, but at the end of the day one cannot say that the actual situation had much improved, as there is but little more chance to sell wheat for export today than there was yesterday.

The recent advance of 7 to 10¢ per bushel from the low point has put us so far out of line for export that we are afraid we shall again have to return to where we started before any considerable transactions can take place for export.

Wheat clearances amount to 289,000 bushels today. Stocks at Kansas City, Duluth and Minneapolis show a net decrease of 660,000 bushels. Primary receipts amounted to 1,464,000 bushels compared with 1,714,000 last year. Canadian marketings commence to show a slight increase, being 268,600 bushels today.

At various times during the day corn showed independent strength, but with the final weakness in wheat it could not hold the bulges very well.

Oats continued to be neglected, and rye was lower.

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FORT WORTH GRAIN AND COTTON EX.

August 13, 1932.

iverpool wheat cables were weak again today, being very much
nfluenced by the weakness in the Continental markets. Wheat
rices at Paris during the week declined about 20¢ per bushel
nd spot prices in Germany 8¢ per bushel. This was caused by the
ffect of the first movement of wheat in Europe. Germany is
ctually exporting wheat now, but this is really not extraordinary
hen they have large crops, as afterwards they import an equal
mount without duty; for every bushel exported probably the
ame quantity will be replaced later on. However, it has a
emporary depressing influence, as it fills wants at the present
ime which would be supplied from other sources.

here is a great deal of talk about the new arrangement which is
eing made with the Canadian government on part of England; from
hat we can gather there may possibly be a duty of 6¢ per bushel
n all wheat imported into the United Kingdom, with the preferential
n all Empire wheat of 3¢ a bushel; so that those countries pay
nly 3¢. This kept the Canadian market comparatively firm and
inneapolis also sympathised with it a little. The trade in
eneral considers it bearish for United States wheat, but we do
ot think it will be of much importance. The very fact that
ngland's colonies all have a great deal more wheat to export
han England can absorb, their prices will finally have to ad-
just themselves with the balance of the world.

s far as we can see the whole situation resolves itself concern-
ng the United States markets into this: There is a very large
xportable surplus, perhaps as much as ever before, and as the
arm board probably will not hold any wheat at the end of the
ear this huge quantity must be held either by farmers, millers
r speculators. These different parties must absorb more than
ver before because since we have had these big carryovers the
arm board carried part of it. Now what will they decide to do?
aturally they will be very largely influenced by prospects of
arger or smaller acreages. It is impossible to make a pre-
iction at the present time. As a rule the farmer is very
argely affected in his sowings and plantings not only by the
rice of the commodity, but also by soil conditions. The price
f course is not very tempting to plant more wheat, but on the
ther hand the soil conditions are extremely favorable, and last
ear's plantings would have been considerably larger had it not
een for a dry spell in the fall, particularly in the Southwest.

heat clearances were only 1,000 bushels, all from New York.
ormally they should be about 500 times this much at this time of
he year. The movement in the northwest is improving somewhat, and
inneapolis and Duluth received 442 cars. Total primary receipts
till lighter than last year- 1,529,000 bushels versus 2,032,000
ast season. Stocks at Kansas City, Duluth and Minneapolis show
net decrease of 561,000 bushels and we expect a very small in-
rease in the visible supply on Monday.

orn was comparatively firm, but finally declined a little. Oats
nd rye acted in sympathy with wheat.

UHLMANN GRAIN CO.

# DAILY MARKET LETTER

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MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

August 15, 1932.

iverpool wheat cables were higher than due before our opening and
ept strong until their close. There are a great many reasons why
iverpool prices should advance. World shipments this week were
nly 7,433,000 bushels compared with 12,495,000 bushels last year,
nd so far since July the importing countries have taken 18,500,000
ushels less than in 1931. The total clearances from all exporting
ountries were only 54,681,000 bushels for one-eighth of the crop
ear, or at the rate of 437,000,000 bushels per year compared with
78,000,000 shipped last season, and it is very plain that from
ow on purchases must be on a very much larger scale. When we look
t the countries from which wheat usually comes, we find that
rgentina and Australia will not come so much into play until their
ew wheat arrives on the market, and Russia ought to commence to ex-
ort large quantities of grain provided she has a surplus for that
urpose. Considering that so far scarcely anything has been
leared from the Black Sea, it would seem that the pessimistic re-
orts about probable shipments from that quarter are correct. It
ooks very much now as if Russia would be a very small factor this
ear unless her financial situation would be such, and her require-
ents of exchange so persistent, that in spite of the fact that
here is probably not more wheat in the country than will be needed
or ordinary wants, a strategic measure will be taken to export
hatever can be obtained from the farmer.

f Europe, in spite of these bullish factors, from their point of
iew, is still hesitating it is on account of immediate pressure
f wheat from Germany and France, which latter country is likely
o raise 100,000,000 bushels more wheat than a year ago, and possibly
ffsets the shorter crops in Russia and the Balkan States.

iverpool is not even the weakest market in Europe, as March wheat
old today at Rotterdam at 51 1/2¢. That market permits a greater
ariety of wheat to be delivered on contract and usually sells at
discount, but yet this price compared with our May wheat, at
bout 60¢, certainly looks very cheap. However, today's comparative
trength in Europe ought not have any immediate effect on our prices
s we are already so very far out of line for export, but never-
heless, we follow any advances from abroad, and consequently our
xport business is at a standstill. With the final advance in our
arket, we are almost as far out of line as we were last Saturday,
nd Liverpool March wheat is still about one cent under our May
heat; not until Liverpool is about 10¢ over us would we consider
he purchase of our wheat advantageous compared with theirs.

he Northwest spring wheat movement has started in earnest, and it
ill continue for some time, in our opinion; inasmuch as Montana
as almost four times as much wheat as last year and North Dakota
bout three times as much, receipts and stocks ought to accumulate
ery fast from now on.

he Canadian movement has also commenced, but it will be another
eek or two before it will take on big commercial proportions.

rimary receipts of wheat today were 2,285,000 bushels compared
ith 3,447,000 bushels last year. The visible supply increased
,543,000 bushels versus 3,006,000 a year ago, and is now
1,000,000 bushels less than in 1931. Canadian marketings show
ome increase at 385,000 bushels. The clearances all told were
nly 4,000 bushels, from New York.

orn was independently weak during a large part of the session, but
inally firmed up in sympathy with wheat; so did rye, while oats
ontinued to be ignored.

UHLMANN GRAIN CO.

# DAILY MARKET LETTER

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KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

August 16, 1932.

iverpool wheat cables after showing a firm tone before our ession opened and for a while afterwards, closed practically unhanged. They paid no attention to our late advance of yesterday, or to our strength up to the time they closed, and gave as the eason the fact that their market was overbought and realizing ales took place. This shows a deplorable condition abroad.

fter hesitating a while and quoting higher prices in sympathy with he sharp advance in stocks we also declined-- the weight finally ecoming too heavy. As we have pointed out repeatedly, we believe he trade in general is watching the stock market too much; the wo might easily be divorced. In fact, in former times it was lways considered that when we raised large crops and had plentiful upplies it meant low prices for grains and high prices for stocks, articularly railroad stocks, as it meant bigger traffic for railroad companies more trading in commodities and it makes business ivelier in the country. Nothing is more detrimental to the ountry than short crops, even though the price be high. We, herefore, continue to believe that the wheat market will have to tand on its own legs; if there is too much wheat which cannot e sold to good advantage it will finally have to be disposed of t world's levels. Europe, even now, is taking from 7 to 8,000,000 ushels weekly and is not discriminating against us, so if we do ot sell our share it is because we are asking more than other xporters.

ust at present the visible available supplies are very much smaller than last year, and compare as follows:

| | 1932 | 1931 |
|---|---|---|
| Commercial stocks in United States | 179,313,000 bus. | 250,064,000 bus. |
| In Canada | 14,669,000 " | 30,002,000 " |
| | 193,982,000 " | 280,066,000 " |

onsequently, there is 86,084,000 bushels less wheat in sight than here was in 1931. However, in that year there was a total crop ailure in spring wheat, and this year there has been more than an verage amount raised. In fact, there is a difference of 76,000,000 bushels more in favor of 1932. This wheat will now ome on the market and will be largely accumulated. Furthermore, ur exports in July and August, in only two months probably will e 20,000,000 bushels less than last year. It, therefore, seems ikely that before the end of the year these 86,000,000 bushels ill be more than made up and our carryover into the next year will e equal to last year's, or more. Inasmuch as the Farm Board will robably have disposed of all its holdings by that time, the trade n general will have to carry a very big load.

here were no clearances whatever again today from the United States; ot a bushel of wheat nor a barrel of flour. It seems we are even osing our flour trade to Cuba and other close South American ountries; Canada is underselling us. Not until the Chicago arket adjusts itself to the balance of the world can we see any ermanent improvement in prices.

roomhall's division of wheat and flour shipments from North merica last week shows 1,199,000 bushels shipped from the United tates and 3,941,000 bushels fromCanada, making a total of ,140,000 bushels.

ansas City, Duluth and Minneapolis stocks so far this week show an increase of 93,000 bushels. Primary receipts of wheat were ,194,000 bushels versus 1,773,000 bushels last year.

orn, oats and rye all followed more or less the fluctuations in heat, but not to the full extent.

# DAILY MARKET LETTER

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FORT WORTH GRAIN AND COTTON EX.

August 17, 1932.

The Liverpool market was again somewhat weaker after the break of yesterday, altho the extreme decline was not as much as traders had expected. In any event, at the time of our opening Liverpool December wheat was only 2 to 3¢ higher than in Chicago, and this was discouraging for any large amount of export business. A rather strong stock market gave traders early encouragement, and with rather light pressure first quotations were a trifle higher.

It has been argued that wheat should sympathize with the general economic recovery. We believe, however, that anybody who watches the stock market for his inspiration instead of the export situation is merely looking at the shell instead of the substance. Our best export months are always from July until December, and the business during that period to the extent of 40 to 50% has generally been contracted for by the middle of August. This year the forward orders are conspicuously small. During the last six months of 1931 we exported 82,000,000 bushels of wheat; in 1930, 87,000,000, and in 1929, 93,000,000. Our prediction is that the last half of 1932 will make one of the poorest export showings, possibly the lowest in recent years.

Broomhall this morning gave his estimates on import requirements; the figures for non-European imports were the same as last year. He cut import requirements 64,000,000 bushels for European countries, placing the total requirements at 705,000,000 bushels. Further figures which he gave on the northern hemisphere, exclusive of Russia, showed about the same amount of wheat raised as a year ago. With a larger carryover in North America, this was construed as quite bearish.

According to this morning's paper, Chairman Stone reveals that cash wheat of the Federal Agencies had been cut the past few weeks from 28,000,000 bushels to 14,000,000. We presume that if futures were reduced proportionately the farm board must own about 30,000,000 bushels of both cash and futures. To this amount must be added 40 to 50,000,000 bushels which the farm board no longer owns, but which it donated to the Red Cross and which must still go into consumption at the expense of other milling outlets. Then there is also 17,000,000 bushels of unshipped wheat belonging to Brazil, dating back from the coffee barter; so in all positions there is close to 100,000,000 bushels still to be disposed of. Of course, this is not entirely farm board holdings, but at least a quantity which was piled up due to its activities.

Toward mid-session when the securities market lagged somewhat, it took but very little pressure on the wheat market to cause rather sharp setbacks. As we have pointed out before, with the export demand so deplorably poor, speculative enthusiasm alone will probably prove insufficient as Northwestern hedges and the Canadian movement increase.

Northwest receipts are picking up slightly: Minneapolis having 363 cars of wheat and Duluth 287 cars; these two markets, with Kansas City, show a net increase of 7000 bushels so far this week. Wheat clearances were again a keen disappointment, nothing being cleared against 1,122,000 bushels last year. Primary receipts made a better showing today, 1,309,000 bushels versus 1,789,000 a year ago. Canadian marketings have picked up materially and amounted today to 742,000 bushels.

Corn and other cereals were not particularly strong, and as the leading cereal weakened there were sympathetic declines all along the line.

UHLMANN GRAIN CO.

# DAILY MARKET LETTER

MEMBERS:
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EW YORK RUBBER EXCHANGE

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MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

August 18, 1932.

Liverpool wheat cables were weak today; it is true they declined only as much as we did yesterday after their close, but the very fact that they are so ready to follow our declines, when we are so far out of line already, shows a very discouraging situation. The fact that Canadian marketings thus early amount to 1,033,000 bushels, must make it very plain to everyone who is interested in wheat values that daily it becomes more imperative that we inject ourselves into the export business, because if we do not we shall carry our wheat into another crop again, while other countries are selling theirs. Canada has no choice in the matter; having raised about four times as much as she needs for consumption, with more than a year's supply already on hand, she must be a free seller right along. Fortunately Australia and Argentina are only moderate shippers just now, Russia cannot be counted on for much, nor can the Danubian Provinces; therefore, Canada is our only competitor, and if we meet her prices we can sell as easily as she can. Should we miss this opportunity now, the picture will be changed entirely in two or three months hence, because by that time the Southern Hemisphere will be liberal shippers again, and they usually do not wait until their crops are actually harvested but make sales four to six weeks before clearances actually take place.

It is extremely discouraging that today again not a bushel of United States wheat was cleared from any of the Eastern or Gulf ports.

Details of the commodity pool were published today, but the organization of this concern should have no effect on wheat values whatsoever, as the object is entirely one of financing commodities for such manufacturers who otherwise would not have the means to buy the raw material when they wanted to; so it will neither increase nor decrease consumption, and this is what counts in making values.

The Government furnished some figures on the United States carry-over, which, however, did not include wheat stored in Canadian ports and not yet cleared. If same is included, we believe the carry-over will be close to 380,000,000 bushels, which is about the same quantity we mentioned several months ago as being most likely to be left in this country.

Primary receipts of wheat were 1,336,000 bushels today versus 1,615,000 last year. Those in the southwest are very light, but in Minneapolis and Duluth they are increasing very fast now. Stocks at Kansas City, Duluth and Minneapolis show an increase of 108,000 bushels so far this week,

There was a quick recovery of about 2¢ per bushel from the very lowest point; this all happened in a very short time and without any special news-- probably the market had been over-sold and short covering must have taken place on a large scale. However, the Winnipeg market remained weak and did not follow us, except in a very limited way, and the final quotations from there were very little higher than yesterday. This in turn will probably influence Liverpool tomorrow, and perhaps cables will not respond to our advances as they should.

Corn, oats and rye followed their sister cereal more or less-- total fluctuations being unimportant.

UHLMANN GRAIN CO.

# DAILY MARKET LETTER

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KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

August 19, 1932.

December wheat sold on July 30th, about three weeks ago, at 54 3/4¢, being about 1/2¢ higher than the price at which it closed today. At that time U.S. steel sold at $29, Union Pacific at $48. and Sears, Roebuck at $16.25, showing we had a tremendous advance in stocks; consequently a great stimulant for commodities, but yet wheat could not benefit from it. The reason is very plain, and it was pointed out by us at the time that stocks and wheat should divorce themselves, as they have very little to do with each other. There are a great many stocks which have a great deal of merit, but wheat at the moment has very little merit because it cannot be sold anywhere in large commercial quantities to good advantage.

Another day passed without any clearances whatsoever; a continuation of this total absence of foreign demand for United States wheat is bound to bring about an accumulation of stocks sooner or later which will be extremely depressing. Fortunately the farmer does not depend entirely upon the wheat price; he is very largely interested in hogs, cattle, butter and eggs, the value of hides, etc., therefore, his purchasing power might improve if all these other commodities bring better prices. However he must pay the penalty for the misconception of carrying out the farm board's policy of withholding wheat for several years from the export market, besides stimulating the price thru large purchases, preventing wheat from being fed to animals, which should have been done.

Liverpool wheat cables were very unresponsive again . World shipments are likely to be less than 8,000,000 bushels compared with 14,000,000 similar week last year and 17,000,000 two years ago.

The advance yesterday was caused by a big speculator who tried to buy 2,000,000 bushels of wheat in a quarter to half an hour; this caused others to follow, and of course whenever such a large quantity of wheat is bought or sold within such a short time it affects the market unduly.

Primary receipts of wheat today were 1,225,000 bushels compared with 1,685,000 last year. Canadian marketings were very heavy at 1,240,000 bushels. Stocks at Kansas City, Duluth and Minneapolis show an increase so far this week of 756,000 bushels; the increase was practically all in Minneapolis where it amounted to 800,000 bushels. We believe these Canadian marketings from now on will be on such a tremendous scale that finally that market will not be able to absorb them and lots of them will be hedged here, and bring about still lower prices.

Corn, oats and rye all acted very indifferent.

UHLMANN GRAIN CO.

# DAILY MARKET LETTER

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FORT WORTH GRAIN AND COTTON EX.

August 20, 1932.

iverpool wheat cables were again very weak today, partially influenced by the big decline in the Canadian market yesterday, and lso by the extremely favorable weather in the chief producing ountries abroad.

t now appears likely that England will adopt a preferential tariff f about 5¢ in gold values in favor of her colonies. Should this aterialize, that market will be lost to us for this year surely: uring the last five or ten years we exported about 40 to 50,000,000 ushels of wheat and flour to the United Kingdom. Just at the resent time it would make no difference whatsoever, as even without ny special favors for Canadian wheat, their prices are so low in omparison with ours that they would do all the business anyhow. ut looking ahead, a great outlet will be taken away from us. France nd Germany both probably raised nearly enough for home consumption, hich would leave of the big countries of Europe only Italy to ake large quantities. At the present time, however, we believe the uota in Italy is only 3%, so importations are not likely to be eavy, and it becomes more and more a question of where to dispose f our surplus.

he matter is all the more serious as the FarmBoard is such an important factor now in the domestic market. Mr. Stone truthfully tates that his burdens are relieved and there are only 14,000,000 ushels of cash wheat to be disposed of on part of the Farm Board. owever, there are still 50,000,000 bushels of farm board wheat to e distributed to the Red Cross; consequently an equal amount will ot be purchased by millers either from farmers or dealers, and his makes the merchandising business so bad just now for the levators that they do not know how to get rid of their wheat in arge quantities. Furthermore, we understand there are about 7,000,000 bushels of wheat to be shipped to Brazil, and this will elease an equal amount of Argentine wheat which will be exported and ome into competition with any wheat we might want to sell from this ountry. Also the farm board is supposed to have holdings of about 0 to 25,000,000 bushels of futures, which must be sold sooner or ater. So taking all these figures together there are about 00,000,000 bushels of farm board wheat yet not consumed.

t would have been an entirely different story had the price of wheat een permitted to go down a year or two ago when conditions were avorable, so that this wheat could have been fed to animals or xported. As it is we are now confronted with a situation which we elieve will take several years to solve. It took two years for the arm board to make it accumulations, it will take probably two years o dispose of its holdings, and another two years, at the minimum, o make the proper adjustments in the trade, as just now the whole xport business is thoroughly disorganized. Also the advertised act that there is such a load of wheat which sooner or later must ome on the market is discouraging buyers abroad.

he weakest market today was Winnipeg, as they are feeling the weight f the approaching crop movement, and at times we had sharp declines in sympathy with that market, but yet there are many bulls who hope some accident not foreseeable at present will change the situation.

Toward the close we had a moderate decline compared with yesterday.

Primary receipts of wheat today were 1,125,000 bushels compared with ,645,000 last year. Stocks at Kansas City, Duluth and Minneapolis show an increase so far for the week of 736,000 bushels, indicating a small increase in the visible supply on Monday. Canadian marketings were heavy, at 1,547,000 bushels. There were no wheat clearances oday whatsoever.

orn, oats and rye all were lower, oats reaching the lowest price n the crop.

UHLMANN GRAIN CO.

# DAILY MARKET LETTER

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WINNIPEG GRAIN EXCHANGE
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KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

August 22, 1932.

Liverpool wheat cables were about as due; they did not show the full weakness which Winnipeg did on Saturday and were hardly any influence on the market, but our opening prices were higher chiefly in sympathy with the great strength in stocks and cotton. The extreme advance, however, did not hold and the close was only about 1/2¢ per bushel higher. As we have pointed out repeatedly we do not think the advance in stocks can permanently help wheat prices unless statistics improve, as our consumption will be only slightly increased, but vice versa-- a higher wheat market and advances in grains generally would be a very potent influence in raising prices on stocks because if the agricultural situation is improved here it would also be better abroad, and a greater buying power of the farmer would have a world-wide effect. To have better prices for wheat we need more favorable statistics which cannot be created by hopes and talk, and until they come about in a natural way we think it will be hard to maintain even the present low levels of wheat prices. Rotterdam March wheat today sold at 50 1/8¢; this speaks volumes for itself.

World shipments were only 6,286,000 bushels compared with 13,991,000 bushels last year, and the total amount of wheat received by the importing nations since July 1st is about 34,000,000 bushels less than in 1931. It is quite true, this reduction inimports has reduced European stocks more than normally, but they show no desire yet to replenish their holdings, feeling that the large crops at home and the large amounts both in Canada and the United States will enable them to fill their wants easily when they feel like it.

The scarcity of wheat, at least in the English markets, is plainly shown by the fact that October wheat is selling at a premium over December, while ordinarily it would sell at a good discount. But this again shows how very bearish the trade feels when the speculator is willing to sell wheat as far ahead as December and March at only a trifle premium for the latter.

The fact that England has now made a treaty with her colonies, giving them an advantage of 6¢ per bushel, makes it all the more difficult for us to export wheat to the United Kingdom. This will be more severely felt on the Pacific Coast where more or less wheat is exported in normal years, and where the outlet from now on will be very poor, except to the Orient.

Primary receipts of wheat today were 2,033,000 bushels compared with 2,986,000 bushels last year. Wheat clearances were a little better-- 161,000 bushels. Minneapolis and Duluth show biggest receipts today on the crop-- together receiving 1,298 cars. The visible supply increased 1,872,000 bushels against 7,379,000 a year ago, and the total now is 56,000 bushels less than in 1931.

Trade in corn, oats and rye was extremely light with the smallest fluctuations possible.

UHLMANN GRAIN CO.

# DAILY MARKET LETTER

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KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

August 23, 1932.

Chicago for a long time has been ambitious for an enlarged market in stocks, and while this business has been fairly well developed, there is a mental trading in stocks now in the wheat pit. There is not a sharp fluctuation now in one of the important stocks but that somebody reports it immediately in the pit, and this has its influence on wheat prices. In turn we understand that Wall Street is watching the wheat market as a guide for its actions; so they act and react on each other a great deal. The cry comes from New York to buy commodities. Usually when one generalizes so broadly one is wrong. There is no question but that some commodities are very cheap. Rubber, coffee and sugar had all been supported by their respective governments, in consequence of which they went to untold depths in prices, and after a long struggle they finally recovered to a moderate level, all of which should have occurred in the natural order. However, when it comes to wheat the situation is different insofar as this article has also been sponsored by the governments both here and in Canada, but in neither of these countries has liquidation been finished yet. The Farm Board is still a large holder of wheat which has not yet been transferred to the consumer. The Canadian Government owns a lot of wheat carried over from last year's crop. Therefore, in wheat entire liquidation has not yet taken place and is yet to come.

Liverpool wheat cables were just a trifle higher at the opening, but gained a little during the session when they received our higher quotations; of course, the price is still not very encouraging for making purchases in this country. With the very strong stock market our prices advanced at the opening, but when they gave way wheat declined, and this tells the whole story. Statistics were absolutely ignored, but the wheat demand both for domestic and export remains about as poor as ever. The commercial supplies in the United States, together with United States wheat held in Canada, amount now to 194,000,000 bushels; at the same time last year these stocks were 287,000,000, or about 93,000,000 bushels more. We firmly believe that this difference will easily be made up before the end of the crop year. Last year about on September 5th we had seen the height of our visible supply, and this year with the spring wheat crop so much larger we think the visible supply will increase until the close of navigation, or about December 5th. As a rule generally the visible supply from December to July decreases about an equal amount as is exported. Should we export little this year then the visible supply probably will not decrease at all after that period.

Receipts in the Northwest were lighter today- Minneapolis and Duluth together receiving 391 cars. Stocks at Kansas City, Duluth and Minneapolis show an increase so far this week of 840,000 bushels. Canadian marketings amounted to 1,711,000 bushels. Primary receipts were 1,400,000 bushels against 1,732,000 last year. There were no clearances whatsoever of United States wheat. For the week North American clearances divide as follows: 1,023,000 bushels from the United States and 3,204,000 bushels from Canada. Should the last week in August run about the same as heretofore we expect the clearances from the United States for both July and August, or for two months, will be about 8,000,000 bushels compared with 28,000,000 a year ago, or at the rate of 50,000,000 bushels for this year.

At the close the market showed a moderate advance from yesterday, but new bullish incentives, or lots of sympathetic buying in stocks will be required right along to hold up values, we believe.

Corn, oats and rye remained neglected, and the trade in these cereals is very unimportant.

UHLMANN GRAIN CO.

# DAILY MARKET LETTER

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MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

August 24, 1932.

The science of forecasting wheat fluctuations ahead is certainly not perfect by any means. Even if the size of production all over the world were known to the bushel, as well as the consumption, there would still be the human element which would enter into the equation and influence the market at times. This latter element has been much of a factor lately, and wheat investments were made in sympathy with the strength in other commodities which had no relation whatsoever to the wheat situation, and where statistics may have justified a rise, which was not the case in wheat. However, in nine cases out of ten finally the supply and demand situation is the most dominant factor in making wheat prices; therefore, as this is a country with a large surplus the export situation is very vital.

To show how total world's shipments vary year by year, we wish to point out that in the season 1929-30 they were only 612,000,000, while in the previous season, 1928-29, they were as high as 917,000,000, a difference of 300,000,000 bushels. There was only one year other than the latter when they were above 800,000,000: namely, 1926-27, when they amounted to 814,000,000 bushels. Last year they were 769,000,000 bushels, and Broomhall estimates that they will be 72,000,000 bushels less this year, which would reduce it to less than 700,000,000 bushels. There have been only three years in the last ten when they were smaller than that.

At the present time, not only are we entirely out of line with prices in the importing nations, but we are also out of line with prices among the exporting countries who compete with us. In other words, our market is the highest in the world, and this is a condition which we believe must be corrected sooner or later.

Bradstreet reports North American exports as very light for this week- 3,710,000 bushels against 3,559,000 last year, and the total since July 1st of about 32,000,000 bushels compares with 48,000,000 in 1931. At this rate, exports from all of North America during the twelve months would be less than 225,000,000 bushels, while we must clear about 400,000,000 bushels or else the carryover into the next crop will be larger again than it was on July 1st this season. There are only four good months left in which to monopolize the European markets. Whenever the Southern Hemisphere's products come on the market, around Jan. 1st, competition is likely to be very keen, particularly as the acreage in Argentine has been increased about 2,000,000 acres and that country could easily raise an exportable surplus of 150,000,000 bushels. Australia's acreage also promises to be large, but she may not raise as much per acre as last year when she had a bumper crop.

Liverpool wheat cables were again very weak; Liverpool March wheat is selling at 57¢, or practically one cent a bushel lower than our May wheat. During the period of 1921-1929, after which time the farm board started its operations, Liverpool wheat on an average sold about 16¢ per bushel over ours. Of course, ocean freights at that time were very high and there is nothing of this kind in sight at the present time. Much has changed since that period: namely, Europe has become independent of United States wheat, but the opposite has not taken place. We are more dependent on Europe for an outlet of our accumulated stocks than ever before. Therefore, an adjustment is bound to come about, in our opinion, before this season is over.

# DAILY MARKET LETTER

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KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

8-24-32

pp- 2

Trade was extremely light today; the market at times was influenced by the early strength in stocks and cotton, but finally gave way under pressure of hedging sales and liquidation.

Kansas City, Duluth and Minneapolis stocks show an increase so far for the week of 1,421,000 bushels, indicating larger increases in the visible supply. Wheat clearances from Galveston amounted to 239,000 bushels; this is probably a cargo of wheat shipped to Greece, which is practically the only country in Europe which has a preferential tariff in favor of the United States compared to Canada, and that small country will continue to buy our wheat right along regardless of the cheaper Canadian wheat. Primary receipts were 1,484,000 bushels against 1,679,000 last year. Minneapolis and Duluth carlots have increased-- together receiving 855 cars. Canadian marketings amounted today to 1,527,000 bushels.

Corn, oats and rye were all weak and lower.

UHLMANN GRAIN CO.

N.B. If our market letter is not reaching you promptly we will appreciate your advising us.

# DAILY MARKET LETTER

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MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

August 25, 1932.

It was a foregone conclusion that our wheatmarket would open higher today regardless of any news affecting this cereal, as stocks had been extremely strong yesterday after our close, and quotations were still higher before our session opened. Therefore, the initial decline at Liverpool had no effect whatsoever. During the whole session fluctuations took place mostly in sympathy with stocks and cotton, particularly the latter; the reasoning being that if an article like cotton which had been so very much neglected could advance 30 or 40% in such a short time, why not wheat. Of course, those who argue that way are overlooking the fact that Europe is absolutely dependent upon the purchase of American cotton, and whether they want to or not they have to follow our prices in a limited way; but the contrary is the case as far as wheat is concerned. Europe can get along very nicely this season without buying a bushel of United States wheat; in fact they are practically doing this at the present time.

Searle Grain Co. estimated yields in the three Canadian Provinces at 459,000,000 bushels. This with what eastern Canada raises will give that country an exportable surplus of this year's raisings of about 350,000,000 bushels, or one-half of the import requirements of all countries. Of the balance, Argentine and Australia, with normal crops can furnish 250,000,000, so the requirements at best would be only 100,000,000 bushels from United States, Russia and other sources.

The one country with which we have to compete most at the present time is Canada, and #3 Northern wheat, which is about equal to our #2 hard wheat, in competing markets is selling in gold values for about 45¢; compared to that, our futures certainly look high from the grain man's point of view. However, the logic of the situation naturally is that if wheat had been held strong and could advance in spite of these facts, it may go in the same direction as long as stocks and cotton advance. But vice versa, should either or both of these decline, or stand still, then the actual wheat situation will again become a very important factor. In this connection, we wish to point out that as late as July 28th, 1932, October wheat at Winnipeg sold at 61 3/4¢ when our September was 52 1/4¢; our September wheat is now about the same price and their October has declined 5 1/2¢, so we are that much further out of line with our nearest competitor.

Today we received the official statement of United States exports for the month of July, giving 4,772,000 bushels compared with 17,253,000 last year.

Primary receipts today were 1,375,000 bushels against 1,842,000 a year ago. There were no clearances of U.S . wheat today. Stocks at Kansas City, Duluth and Minneapolis show an increase of 2,037,000 bushels. Canadian marketings were light at 1,436,000 bus.

In spite of heavy investment buying on part of speculators who had been fortunate in realizing stock profits, the wheat market could not hold its extreme advance, altho it showed a very appreciable rise from yesterday's close.

All other cereals closed higher in sympathy with wheat.

UHLMANN GRAIN CO.

# DAILY MARKET LETTER

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FORT WORTH GRAIN AND COTTON EX.

August 26, 1932.

neat speculators again today followed religiously every upward or
ownward movement in cotton and stocks the same as if the fluctua-
ions in those markets would have an immediate bearing on wheat
rices. This, in our opinion, is not the case, altho we do not
nderestimate the value of favorable sentiment to prices. However,
nen everything else inherent to this cereal itself is being over-
ooked, we believe the time will come when there will be an ad-
ustment. As a guide to our trade, we prefer to tell them that
ne final arbiter of prices will be Canada, and we receive more
nspiration from that quarter in forming our opinions than from
ny other. Canada is now by far the largest exporter of wheat
nd the barometer for the whole world. We expect Canada will have
50,000,000 bushels of wheat for export this year, not figuring
er immense carryover. This is about half the quantity which the
mporting nations need, so she will do as much business as all
he others together. She is under the influence of actual and not
entimental conditions. That market was again very weak today
nd showed no tendency to follow us; their May future is easily
to 6¢ under ours in American money, and considering that their
neat is superior and bringing good premiums in competing markets,
ater on it might and probably will sell at 3 to 5¢ premium over
urs.

oward the close of our market, for the first time lately, there
as some tendency toward independent weakness, despite influences
s mentioned before like stocks and cotton, and advances could
ot hold as well in spite of the strength in stocks. In other
ords, the pressure is becoming quite heavy, which can easily be
xplained by the fact that stocks at Minneapolis, Duluth and
ansas City so far this week show an increase of almost 2,500,000
ushels, which means just that much additional hedging sales and
ressure.

orld shipments promise to be very light again, with Australia and
rgentina shipping about 2,000,000 bushels. Assuming they will be
,000,000 bushels, this would be about half as much as last year,
hen they were over 16,000,000. The total for the first two
onths would then be about 77,000,000 bushels compared with
19,000,000 last year, or 42,000,000 bushels less.

f Broomhall is correct that the importing nations will take
0,000,000 bushels less than last year, then for the balance of the
ear, they would have to buy almost as much as in 1931; but the
uestion is, is he correct in his guess?

anadian marketings were light- 1,115,000 bushels, probably caused
y weather conditions. Primary receipts 1,486,000 bushels against
,783,000 last year. Clearances of United States wheat were again a
lank today.

orn oats and rye were very much neglected without any great
hanges.

UHLMANN GRAIN CO.

# DAILY MARKET LETTER

MEMBERS:
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YORK COCOA EXCHANGE
RK COFFEE AND SUGAR EX.
YORK RUBBER EXCHANGE

UHLMANN GRAIN COMPANY
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141 W. JACKSON BLVD.
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MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

August 27, 1932

In discussing the wheat situation, it is well to bear in ind that there are three great wheat markets in the world: innipeg, representing Canada, the largest exporter; Liverpool, epresenting all of Europe, the heaviest importer; and Chicago, he largest trading market in the world.

Since wheat reached its lowest point on July 16th and 18th, 9 7/8¢ for the December option, there has been an advance here f about 7½¢. At that time December wheat in Winnipeg sold at bout 57½¢, 1/8-cent higher than today's close. During the same eriod Liverpool advanced only 3½¢ a bushel, and this notwith- tanding that even then that market was selling far below parity ith us.

In all commodities that we can think of, we believe the ate advance has been more or less uniform. Copper, cotton, ead, and all the others have advanced as much abroad as here. he only exception is wheat, and the reasons for this have been ointed out so often of late that it is hardly worth while to et them forth again: namely, the extraordinary accumulations y the farm board which have not yet gone into consumption. herefore it must be evident to every one that while wheat here ay follow the rise in other commodities and in stocks and bonds or a while, it finally must go into consumption; and this can e accomplished only if Liverpool should advance or if we should ecline. The official figures as we construe them now give the arry-over this past year at 378,000,000 bushels; and as more heat was produced this year than we can consume ourselves, the xcess quantity requiring an outlet abroad is quite formidable.

The government issued an estimate today of the winter heat acreage to be sown, which is much the same as last year; nd the figure of almost 40,000,000 acres is very large unless e can go to an export basis. These figures will change according to weather conditions from now on. Should the southwest eceive more rains the area might be increased; otherwise it will e smaller. Some of our weather prophets think we might have ains in that territory over Sunday.

Primary receipts today were 1,534,000 bushels vs ,741,000 last year. Clearances of wheat, all from New York, ere only 120,000 bushels compared with a total of 704,000 last ear. Stocks at Kansas City, Minneapli,s, and Duluth increased ,606,000 bushels so far this week.

The sentiment continued strong up to the close. Nevertheless, wheat will require constant outside stimulant because it ill receive none from consumptive sources.

Corn, oats, and rye all closed higher in sympathy with he sister cereal.

UHLMANN GRAIN CO.

# DAILY MARKET LETTER

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FORT WORTH GRAIN AND COTTON EX.

August 29, 1932.

iverpool showed very little excitement considering our sharp dvance on Saturday, altho their close was somewhat higher than he previous session.

n diagnosing the wheat market, it is well to reminisce a little, ust to show that there are sometimes false movements the extent f which cannot be predicted. In connection with this, we point ut that on May 23rd this year, only a short while ago, December heat sold at 66 1/8¢, after which it declined, reaching 49 7/8¢ n July 18th; and just now, at 58 3/4¢, it is about half-way etween these two extremes.

n making comparisons with last Saturday and a year ago between hicago and Liverpool, we find that Chicago December wheat, which losed at 57 1/2, was 7 3/8¢ higher than last year, while innipeg was only 1 7/8¢ higher and Liverpool 1/2¢ lower. It ight be interesting also that in spite of the advance of stocks nd cotton, December corn closed at 33 1/4¢ Saturday, about 6¢ ower than last year, and December oats at 19¢, 4¢ lower than year ago.

e find that the wheat strength just now is very similar to the ovement last May, only for different reasons. Then it was based n a short winter wheat crop, which materialized but was not ufficient to hold prices; now it is based on sympathy with cotton, ool, stocks, bonds, etc. But all the time wheat is not moving n consumptive channels as it should, and unless hopes are ealized which will increase consumption here and abroad, in our pinion, wheat prices cannot be maintained, altho it is impossible o say what they will do temporarily.

he open interest increased to 155,000,000 bushels- an increase f almost 5,000,000 bushels last Saturday; this is due to the act that continued hedging sales are coming on the market, and heat is being sold here against purchases at Winnipeg and Liverool, those markets being so much cheaper than ours.

uring the session the market derived great strength from advances n corn and oats; these cereals were purchased very largely by he same interests who had previously operated in wheat and cotton nd who think that all commodities ought to profit from the improved sentiment in business.

he visible supply increased 3,421,000 bushels- much the same as ast year, and is now about 57,000,000 bushels less than in 1931. rimary receipts were 2,117,000 bushels compared with 2,763,000 year ago. Canadian marketings were only 1,041,000 bushels, bad eather preventing heavier movement. Wheat clearances were again blank today.

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# DAILY MARKET LETTER

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FORT WORTH GRAIN AND COTTON EX.

August 30, 1932.

he wheat market followed its late tradition, and when the cotton arket opened lower and showed still further weakness during the ession, wheat bulls lost heart and on moderate liquidation the arket declined about what it had gained yesterday, closing at bout Saturday's prices.

e cannot repeat too often that these two commodities have very ittle in common. The cotton crop is supposed to be a very short ne, both domestic and foreign demand is good at the present time, nd prospects are that the large carryover from the previous eason will be considerably reduced during this crop year. In heat, the prospects are that just the opposite will take place. ith the French wheat crop possibley 100,000,000 bushels larger han last year, with Canada raising probably 150,000,000 bushels ore, with Germany and Spain having good crops, the chances are, hough Russia may export but very little, the world will produce ully enough and possibly more than its consumption. Therefore, he wheat position will not be improved during 1932, and might ven be a little worse next July than it was this July. Con-equently, until we get a better demand either here or abroad we annot see any chance for wheat to sell higher, altho other com-odities which are in a better statistical position may do so.

ne of our very well posted French correspondents, Mr. Henry odenheimer, of Paris, writes in English under date of August 17th, n part as follows:

"Dissatisfied with the decline in wheat prices, a delegation of armers entered the board room of the wheat market in Paris and iped out prices which were registered on the wall. Poor men--hey seem like the boys who expect fine weather for their romenade, and who break the barometer because it is declining; hey forget that The Bourse is just like a barometer registering he depression as well as the high pressure, according to economic aws of offer and demand. Temporarily it may be that one can act gainst them by artificial means, but at length no power in the orld is able to do so against the natural laws of supply and emand.

ow, the Agricultural syndicate of the Government and all advisers f the farmers make propaganda, asking to hold back wheat and wait or better prices. This propaganda may perhaps be for a short hile some influence and bring an improvement in Paris, and this ropaganda may also maintain amongst the farmers the illusion hat Governmental sympathy will help them forever, so that instead f reducing the acreage they might be tempted to sow as many wheat ields as they did last fall.

n the meantime, the wheat which is held back is just in the same osition as the wheat held back formerly by the farm board in the nited States and by the Canadian Pool; this is very unhealthy nd history teaches us that wheat artificially retained is nothing lse but, as we say in French, 'one stores the decline in prices'."

tocks at Kansas City, Duluth and Minneapolis show an increase of 31,000 bushels so far this week. Total clearances of wheat from he United States were 24,000 bushels. Primary receipts of wheat ame nearer to last year's than any time on this crop- 1,402,000 ushels compared with 1,483,000 in 1931. Canadian marketings are till light on account of bad weather- amounting today to ,048,000 bushels.

orn, oats and rye were at times quite strong, but when wheat eclined they sympathized with it.

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# DAILY MARKET LETTER

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FORT WORTH GRAIN AND COTTON EX.

CHICAGO August 31, 1932.

verpool wheat cables were very strong today; not only did they fuse to follow our yesterday's decline, but they actually closed gher. This strength abroad is not difficult to understand, and believe it will continue. Bradstreet's exports, for instance, is week amounted to only 4,833,000 bushels compared with 605,000 last year, and the total for the first two months of is crop year is 36,734,000 bushels against 55,255,000 a year ago. ese total shipments of 36,000,000 bushels are actually no more an the United Kingdom normally requires during this period. st year their consumption was exceptionally heavy, importations ing 256,000,000 bushels of wheat and flour, but generally it does t vary more than 20 to 25,000,000 bushels a year, and they will ke about as much this year. Consequently, at the rate importing untries have been making purchases, in North America it would not amount to any re than England alone uses. However, the non-European untries so far have also taken their usual quota, perhaps even a ttle more than normal; during the month of August they received 576,000 bushels, or considerably more than 2,000,000 bushels a ek. It is perfectly true, that the balance of Europe protected high tariffs has reduced its requirements to a minimum, but vertheless it is inconceivable that world shipments should remain small for any lengthy period, and has only been accomplished thru avy reductions in their stocks and the amount on passage. e one country which will benefit more than any other by this tter demand, will be Canada, as she is offering her wheat from to 10¢ cheaper than the United States, and therefore, she has competition to fear from us. Argentina and Australia will not important factors for a long time to come, and Russia also might most be ignored for the present.

e fact that our market, in spite of these well-known facts, should cline again today is also not much of a riddle. As long as we e out of line with other exporting countries, and not in line th importing countries, the great burden of our wheat will be th us. Today's action should have shown very plainly how useless is to try to boost a commodity unless it has merit. As far as r wheat is concerned, we cannot recognize its merit until it can sold in sufficient quantities somewhere in the world to relieve of our heavy burden. In our opinion, it will be entirely use- ss to try artificial means to change the situation. Much as every- e deplores the fate of the wheat farmer, and much as everyone uld like to see prices advance so as to help the whole financial d commercial wheat situation, still we think that it is well to ok facts in the face, and try to correct the causes which brought out this terrible situation instead of prolonging the evil thru thods which will do more harm than good in the end.

ere were some very beneficial rains today in Kansas, which will ve a tendency to increase wheat acreages wherever possible. wever, there is such poverty amongst some of the farmers that ey may not have enough seed to sow as much as they want, and ile this is regrettable, the final correction can only from from aller production.

th lower cotton and stock markets there was not much investment ying today; on the contrary, quite heavy realizing

ocks at Kansas City, Duluth and Minneapolis increased so far this ek 1,123,000 bushels. Canadian marketings are still small at 120,000 bushels, weather not permitting heavier marketings. Wheat earances were 128,000 bushels. Primary receipts for the first me, we believe, on this crop, were larger than last season, ing 1,311,000 bushels against 1,216,000 a year ago.

rn, oats and rye all followed in sympathy with the weakness in eat.

UHLMANN GRAIN CO.

# DAILY MARKET LETTER

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KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

Sept. 1st, 1932.

l grain news was again more or less ignored today, and the
eat market was almost entirely influenced by fluctuations in the
ock market; therefore, as stocks had a firm undertone, declines
ich were caused by weak foreign cables and heavy deliveries,
re almost entirely overlooked, and the close today was only
out 3/8¢ lower than it was yesterday. However, we cannot ignore
e extreme weakness again displayed abroad; Liverpool cables
osed from 1 3/8¢ to 1 5/8 lower. They were partially influenced
the re-appearance of Russian shipments, altho they amounted to
ly about 700,000 bushels, including Black Sea clearances.

e initial wheat deliveries of 4,600,000 bushels were very much
rger than anybody had expected, and are a plain indication of
e total absence of domestic demand, as the elevators were ready
deliver it, feeling sure of earning good storage charges. It
well to consider that May wheat is selling at 9 1/4¢ over
ptember wheat, showing very plainly the handicap under which the
ll is working. Expressed in other words, cash wheat would have
advance 9 1/4¢ from the first of September to the first of May
r the bull to come out even: This represents a difference of
8% of the value of wheat for eight months, or at the rate of
7% per annum. A further consequence is that this wheat will
main as a dead weight on the market, and no matter what efforts
y be made to bull it the load will be there until it is per-
itted to go into consumption.

e expect a reasonable increase in the visible supply next Monday,
ich will compare with an increase last year of about 1,400,000
shels; in 1931, on September 5th, corresponding to next Monday,
e visible supply reached its height and steadily declined there-
ter, with few exceptions, until July 1st. This year we expect
see continued increases until close of navigation, about
cember 1st, and after that very few decreases, as normally the
sible supply decreases after close of navigation only in pro-
rtion to the amount of wheat which is exported, and if exports
e very small this year the decreases in the visible will be
rrespondingly light.

ere were further good rains in Kansas. As far as soil con-
tions are concerned, we may expect an acreage as large as last
ar, but whether other conditions will have an influence it is
fficult to tell at the present time.

e weakness in the Winnipeg market was also entirely overlooked,
t with Canada our greatest competitor, if she has a tremendous
ount of wheat to sell for export, fluctuations are bound to be
lt sooner or later. Canadian marketings today amounted to
,200,000 bushels.

ocks at Kansas City, Duluth and Minneapolis increased so far
is week 1,378,000 bushels. Primary receipts were larger than
st year at 1,645,000 bushels compared with 1,440,000 a year ago.
earances were only 20,000 bushels.

rn, oats and rye fluctuated but little and showed no independent
ndency and followed wheat moreor less in downward or upward
vements.

UHLMANN GRAIN CO.

# DAILY MARKET LETTER

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KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

Sept 3 1932.

Sat

Our market showed another advance today of about 3/4¢ per bushel, mostly in sympathy with strong cotton and stock markets, both these markets having shown an advance yesterday after we had closed, and were again very firm today. This sympathetic movement has been going on now for some time, but yet when it is analyzed for a longer period it shows that there is a reluctance on part of wheat to follow stocks or cotton too much, as evidenced by the following comparisons: A week ago December wheat closed at 57 1/2-5/8¢, or only 1/2¢ lower than now, the week before that, August 20th, it closed at 53 1/2-5/8, or 4 1/2¢ lower; and on August 12th, it closed at 55¢ or 3¢ lower; United States Steel closed at 37 1/2 on August 12th, showing an advance of 14 points; Union Pacific closed at 62 1/8, now being 20 points higher, and Sears Roebuck closed at 19 3/4, having advanced 7 points since August 12th, while wheat had advanced about 3¢. This is all due to the fact that in spite of great efforts and tremendous speculation in wheat the commodity itself would ordinarily decline in view of the very bearish statistics. The fact of the matter is, warehouses are bulging with wheat, and the demand is very poor.

We expect quite a fair-sized increase in the visible supply on Tuesday, which will compare with an increase of only 1,500,000 bushels a year ago, similar day. Last year at that period we had seen the high point in the visible supply, with more or less decreases right thru to the end, which of course, was beneficial to the price. However, this season we do not know when there will ever be any sharp decreases. Unless there should be some export business there will be increases for a long period, and possibly by the first of July, 1933, warehouses will be crowded to the roof when new wheat comes on the market, and there can be no export business unless there is a readjustment between our prices and those abroad. Liverpool and Rotterdam do not show any inclination to buy large quantities ahead at present values, and whatever theyneed for immediate requirements they can purchase from Canada at much less than we are able to offer it.

Stocks at Kansas City, Duluth and Minneapolis increased so far this week 2,063,000 bushels. Primary receipts were heavy at 1,758,000 bushels-- no comparison with last year when there was a holiday. Clearances were again a blank.

Corn, oats and rye all showed a very indifferent tone.

UHLMANN GRAIN CO.

# DAILY MARKET LETTER

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KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

Sept. 6, 1932.

those who have been reading our market letters we offer no ology for today's strength at Liverpool. Any student of grain 'fairs must have appreciated that with small stocks abroad and g holdings in this country that at some time or another we must re nearly approach an export basis.

rld shipments this morning were somewhat larger than in previous eks- about 11,000,000 bushels, but this compares to 16,500,000 st year, and the total since July 1st shows 48,000,000 bushels ss wheat shipped than at that time. It is true that the French d German crops are good, but nevertheless England has let her ocks go to very small proportions, and apparently is beginning feel now that she cannot rely upon farm board to sell at dis- unts under the market. In order to draw wheat in commercial antities it will require a further readjustment between Liverpool d Chicago.

e of the over-holiday developments was a statement accredited to e farm board that it would not sell any additional cash wheat or tures until after the turn of the year. It was suggested that s holdings of cash wheat were down to 3,000,000 bushels, but tures were in the neighborhood of 35 to 40,000,000 bushels, and this is correct, we assume that the load is divided between icago, the northwest, etc. Furthermore, it is to be assumed at they will not pay for any more wheat; therefore, what might ve happened now will probably not occur until some time later. . Stone comments on the fact that the cash wheat has mostly en sold while the United States remained above an export parity, tho he failed to mention that the average carryover in the ten ars preceeding the farm board's activity amounted to about 5,000,000 bushels; this year we carried over close to 375,000,000 shels, or three times the former amount.

cording to unofficial figures, up to the present time the United ates has exported about 20,000,000 bushels less than last year, d our carryover was about 50,000,000 bushels greater. Mr. Murray timates that we might feed 100,000,000 bushels less this coming ar than in the year just ended, so on that basis it will be perative from this time forward to ship as much as last year less we want to add again to next year's carryover. This we lieve is not likely as attempts are being made again to hold our ice level while Canada will continue to do the bulk of the busi- ss.

day's primary receipts were 2,783,000 bushels versus 5,441,000 st year. Clearances, all from New York, were small at 20,000 shels, and a year ago they were 78,000. Stocks at Minneapolis r two days increased 240,000 bushels. Canadian marketings were 115,000 bushels of wheat. The visible supply today showed an crease in excess of 3,500,000 bushels to a total of 181,721,000 shels; this amount is 54,000,000 bushels smaller than on the rresponding day last year at which time Toledo was still included the visible supply. On that date we reached the peak of our vement, but this year it will be a different story as the North- st is experiencing heavy hedging pressure and a large movement, ereas a year ago the failure of the spring wheat crop permitted ly small marketings.

rn was little influenced by the great strength in wheat. The untry is offering heavy quantities just above the market and this eps prices in check.

her cereals lost early gains with the late selling of wheat.

UHLMANN GRAIN CO.

# DAILY MARKET LETTER

**MEMBERS:**
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FORT WORTH GRAIN AND COTTON EX.

CHICAGO Sept. 7, 1932.

iverpool wheat quotations were disappointing today in that yes-erday's strength reversed itself, and on the decline March wheat broad was from 1 to 2¢ under the price of Chicago May wheat. his is distinctly important, because the price finally will be ade not by the level of cotton or stocks, but rather by the mount that we can export, which will determine the final load hich must be carried.

n analyzing the speculative markets for the past few weeks, it s apparent now that wheat has not gone up in proportion nearly s much as other commodities. The bulls, however, did have one dvantage in boosting wheat prices, and this resulted from the act that the farm board was in possession of about 40,000,000 ushels of wheat, and the Red Cross was also holding off the arket about 50,000,000 bushels of cash wheat, so there was a otal of 90,000,000 bushels which otherwise would have been pressing n the market. In our opinion, some time between now and the next rop year all these holdings will again be put into circulation hich will create a weak situation. Even if we would consider he 40,000,000 bushels of farm board holdings as not existing and educt them from last year's carryover of 375,000,000 bushels, it ould still make 335,000,000 bushels, which was exactly the mount we had last year, and which at that time proved to be a epressing influence. If we look at the picture in another way, he farm board probably did not have maximum stocks exceeding 54,000,000 bushels, and considering their present holdings of 0,000,000, they have disposed of 214,000,000 bushels net. Of his amount 90,000,000 bushels in all was given to the Red Cross, nd 47,000,000 went to foreign governments either thru sales on redit or barters; therefore, they actually sold thru regular rade channels only about 77,000,000 bushels during this entire eriod.

oday's values were influenced on the one hand by the firmness n cotton and the strength in stocks, outweighed at times by he weakness in Winnipeg, where, in spite of a slightly bullish ree Press report, prices were on the down grade during most of he session. Very large country marketings and possible iquidation by pool interests discouraged speculation in that arket.

tatistical news was somewhat bearish today. Primary receipts ere larger than last year- 1,362,000 bushels versus 1,148,000 t that time. No wheat was cleared at all against 408,000 bushels ast year. Stocks thus far this week at Kansas City, Duluth nd Minneapolis show a total increase of 493,000 bushels. Canadian arketings for two days were enormous- 6,355,000 bushels. Of ast week's exports of North American wheat, according to Broomhall, nited States shipped 1,000,000 bushels and Canada 6,741,000.

ne item which was quite important consisted of purchases of May heat against sales of December. It is our opinion that most of he new speculative buying will go into the distant month,and hould December-May finally go to 7¢, which is not at all impossible, ay wheat on present basis would be practically 65¢, which is still high price considering conditions.

orn, oats and rye were all a shade easier influenced by the lower rend in wheat.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

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DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

September 8, 1932

Liverpool quotations were weak this morning, and they apparently paid more attention to the declining markets in Winnipeg than to the relative strength in Chicago yesterday. Foreigners appreciate that Canada with its large supplies is bound to keep wheat on the market regardless of what prices in United States cotton and securities will do, and for that reason they have shown a very independent spirit for many months.

In using the Sanford Evans figures on the world's visible supply of wheat, we find that as of September 3 total stocks are 333,000,000 bushels or 73,000,000 less than last year. There are two places that show smaller stocks than last year: namely, United States and "on-passage" stocks. As far as the United States is concerned, we have pointed this out before, being due mainly to the small winter wheat crop; but in our opinion this will be more than offset as spring wheat is marketed and the northwest stocks increase. The "on-passage" stocks are less than 25,000,000 bushels at present and certainly small, but again are only the result of European apathy to present price levels. Whenever they find that we more nearly approach an export basis they will undoubtedly be more, and in the meantime we think purchases will be confined almost entirely to Canada.

Canadian marketings were tremendous today, almost 7,000,000 bushels, and of course they cannot keep up at this rate for very long; but in the meantime they are watching their export outlet very carefully trying to do all the business they can.

It is interesting to note that the last official Italian crop report indicates 265,000,000 bushels for that country, which is possibly a little larger than private estimates have admitted. Nevertheless, this compares with 248,000,000 last year and 210,000,000 in 1930. Russia appeared on the board today as having shipped 500,000 bushels of wheat. Our advices from abroad do not indicate that supplies from that country will be very heavy this season. On the other hand, it is not likely either that importations will be necessary, as some in the trade had feared.

Primary receipts today were again larger than last year, 1,355,000 bushels vs 1,066,000 at that time. No wheat was cleared, nor any a year ago. So far stocks at Kansas City, Duluth, and Minneapolis show a total increase of 784,000 bushels, indicating another increase in the visible supply on Monday. Bradstreet's exports past week 7,248,000 bushels; year ago, 3,527,000. Since July 1 there has been shipped 43,982,000 bushels this year vs 46,424,000 last year.

There will be a government report on spring wheat tomorrow, and we believe the official figures might be somewhat higher than the private experts', as they will undoubtedly use a higher acreage as their basis.

Today's market was somewhat firm until the bearish cotton report was issued, and this caused general liquidation, presumably also by eastern interests, and the new buying was insufficient to hold up prices. Open interest is now about 166,000,000 bushels, and we think there are comparatively few shorts. Most of the sales represent hedgers or those who have spreads against other markets.

Corn, oats, and rye were a trifle lower. Speculation was not large, and they were influenced by the weakness of wheat.

UHLMANN GRAIN CO.

# DAILY MARKET LETTER

MEMBERS:
ICAGO BOARD OF TRADE
YORK PRODUCE EXCHANGE
W YORK COCOA EXCHANGE
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YORK RUBBER EXCHANGE

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

CHICAGO Sept. 9, 1932.

iverpool wheat cables were comparatively firm this morning, and
is not difficult to understand the situation on the other side
f the water. World shipments are indicated to be less than
0,000,000 bushels on Monday, and with Russia, Argentina and
ustralia shipping only small amounts it becomes more apparent
hat the importing countries will have to turn more and more towards
anada. At the present time there is little likelihood of our
oing alarge amount of export business from the United States.
is true that on account of trade agreements with Greece that
ountry will take a couple of cargoes each month, but with prices
ntirely out of line between Chicago and consuming countries, we
annot look for much further relief.

this writing Liverpool March wheat is about 2¢ under Chicago
ay, while the March delivery in Rotterdam is practically 7¢ cheaper
han May wheat in Chicago. Those markets each act as a barometer
European price levels. One should not fool himself by looking
the much higher levels in Berlin or in Paris, where high duties
end an artificial aspect.

seems too bad that wheat is not permitted to go to an export
evel in this country so that the monotony of increasing supplies,
hich has been going on for the past six years now, will be broken.
is also too bad that with a crop much smaller than last year
shall probably have as large, or larger, carryover at the end
the season than existed last July. Sooner or later we must
ecognize that home consumption is more or less constant, and
hat to really reduce stocks a large foreign business must take
lace. It is for that reason that we have been emphasizing the
mportance of watching the price differentials between this country
nd those abroad.

he receipts in the Southwest still keep up well, considering the
mall winter wheat crop, and consequently, cash demand is rather
ull. Of course, the market feels the competition of the 50,000,000
ushels of charity wheat which the Red Cross is giving away in
ompetition with millers' wheat which is for sale.

here will be a Government report after the close, and this should
ot form a sharp contrast to the figures published by the experts
nless the Government uses a higher acreage figure, as it did last
onth. This, in our opinion, is quite likely.

rimary receipts were again ahead of last year today- 1,412,000
ushels against 1,233,000 a year ago. Only 24,000 bushels of wheat
ere cleared today against 80,000 cleared corresponding date a year
go. So far stocks at Kansas City, Duluth and Minneapolis show a
otal increase of 1,105,000 bushels. Canadian marketings continue
n a tremendous scale- being 6,749,000 bushels. Apparently inter-
ittent showers at various places have not diminished the movement
any appreciable extent.

arkets ruled within a rather narrow range; at times strength or
eakness in stocks and cotton were an influence, but generally
peaking the actual grain trade is directing its attention more
gain to the real fundamentals of the situation.

orn, oats and rye did not go very far from the previous close,
ltho oats are a distinct disappointment, being within a fraction
f the season's lowest figure, in spite of the already low prices
revailing. This might be an example of what could happen to
ther cereals when the demand is poor.

UHLMANN GRAIN CO.

# DAILY MARKET LETTER

MEMBERS:
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W YORK RUBBER EXCHANGE

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MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

Sept. 10, 1932.

Liverpool wheat cables were firm this morning for the deferred months, and this had been expected. Overnight news furnished no particular surprise, and the spring wheat government estimate was about in line with private experts. Later in the session the Canadian Government made its report, and using official figures now the following comparison can be made for North America:

| | 1931 | | 1932 |
|---|---|---|---|
| Winter wheat | 787,000,000 bus | | 441,000,000 bus |
| Spring " | 105,000,000 " | | 273,000,000 " |
| Canadian crop | 325,000,000 " | | 467,000,000 " |
| | | Added to carryover | 40,000,000 " |
| Total | 1,217,000,000 " | | 1,221,000,000 " |

It will be observed from the above that wheat supplies on this continent are heavier this year than last, with the prospect of probably 100,000,000 bushels less being fed to animals.

The one distressing circumstance, as we view it, is the fact that our own carryover will perhaps not be much reduced during the coming season, in spite of the virtual failure of the winter wheat crop. This, of course, will result from smaller feeding operations, and the fact that we are held above an export parity, so that our stocks may not be reduced thru foreign sales.

Advices from the Southwest today were rather bearish both as to weather and cash demand. Rain had fallen in many districts of central Kansas and Nebraska, extending westward, and this will be fine for the fall wheat just planted. The demand is very dull and elevators in that part of the country are pretty well filled. It is also thought that the Red Cross wheat and flour floating around and being distributed as charity, competes with millers' supplies, and therefore makes normal business considerably smaller.

The forecast for the Canadian Provinces is for somewhat clearing weather, and we believe threshing operations will progress quite favorably if that is the case.

Primary movement of wheat is keeping up, receipts today were 1,800,000 bushels against 1,430,000 last year. Clearances were nil today and so they were a year ago. Stocks at Kansas City, Duluth and Minneapolis show an increase thus far this week of 1,619,000 bushels; this foreshadows another increase in the visible supply on Monday. Last year the visible started declining and decreased 1,819,000 bushels on the corresponding day.

Some attention is still being paid to the stock and cotton markets, and a more or less sympathetic relation exists. The latter we believe is only temporary in character. Bullish operators may derive enthusiasm on the economic recovery at times, but finally wheat must go into consumption, and with markets at Rotterdam and Liverpool still way beneath a parity, we cannot consider ourselves on sound ground until a readjustment occurs.

Corn, oats and rye were all weaker in sympathy with wheat. The government report on corn showed ample supplies despite recent deterioration.

UHLMANN GRAIN CO.

# DAILY MARKET LETTER

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MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

Sept. 12, 1932.

espite small world shipments, which were only a little over ,000,000 bushels today, Liverpool at the start was weaker than xpected, and the downward tendency continued until the last. This as also the case in Rotterdam; both markets closing at about 1¢ ower. Last year at this time world shipments were practically 6,000,000 bushels and to-date they are 93,937,000 bushels against 51,806,000 last year.

eather news over the week-end was also bearish, in that rains were eported in many parts of Kansas, which are certainly fine for the all planting.

French crop estimate given by the Bulletin Des Halles made a fore-ast of 388,000,000 bushels, and this compares with a recent French overnment report of 332,000,000; both estimates are considered arge in view of the fact that the final crop last year in France as only 264,000,000 bushels. We have maintained right along that uropean requirements would be small because of the good prospects n Italy, France and Germany. Of course, Russia and the Danubian rovinces have not the crops they had last year, but the fact hat Europe is taking such very small amounts, as confirmed by orld shipments, shows the independent spirit which they possess. ewspapers generally are taking more cognizance of the large wheat tocks, and many of them have shown now, as we tried to point out arlier, that North America, with its carryover and crop, has arger supplies on hand than last year. It must also be borne in ind that last year's crops on this continent were big enough to nable us to add 40,000,000 bushels to our carryover, and with ll this we had enough so that probably 100,000,000 bushels extra eeding to animals could take place. This will probably not occur uring the coming season.

ne of our friends in Canada tells us that despite heavy country eliveries the market has encountered a good cushion for export uying, and considerable business was consummated during the past eek. That party also claims, however, that the Winnipeg market ill be under a heavy load until well in November, and they only ope that sufficient foreign buying will appear to prevent too reat a catastrophe to prices. This is the first time in many ears that Canada has entered a new crop season with her wheat alues down to a basis where she can compete with the rest of the orld, and undoubtedly she will benefit on that account by way f larger exports than she has enjoyed during recent years.

rimary receipts were 2,152,000 bushels versus 2,565,000 last year. heat clearances today were light, all from New York, 51,000 ushels, while last year, same day, we shipped 914,000. Country arketings in Canada are still large despite recent rains, amounting to 5,441,000 bushels today. Minneapolis has increased for two ays 140,000 bushels. The visible supply increased 1,142,000 ushels; the total is now 182,863,000 against 234,504,000 last year. his shows stocks 51,000,000 bushels less than a year ago. It must ot be forgotten, however, that if Toledo were included the comarison would only be about 47,000,000 bushels less than last year s Toledo roughly has 4,000,000 bushels.

eptember oats and corn made seasonal lows today. This also ccurred in Winnipeg, where wheat futures sold at the lowest level n the crop. There was very little support in corn, oats and rye, ll of which sagged off in sympathy with the leading cereal.

UHLMANN GRAIN CO.

# DAILY MARKET LETTER

MEMBERS:
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MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

Sept. 13, 1932.

Liverpool was decidedly weak this morning, and foreigners were no doubt influenced by the bearish estimate placed on the French crop yesterday. This probably creates the impression that Broomhall's figure of 705,000,000 bushels import requirements is somewhat too high. Assuming for the moment that he is right and basing calculations on the last estimate given for Canada of 467,000,000 bushels for that country, the following deductions can be made: Canada uses, roughly, 125,000,000 bushels for home requirements, including her consumption, feed, seed and waste; that means that 342,000,000 bushels are available for export, and still the large carryover of last year, amounting to 137,000,000 bushels would remain on August 1st, 1933. On that basis, Canada would have to export over 1,000,000 bushels each business day, and therefore, will have a big task ahead of her. On the assumption that the United States will ship 63,000,000 bushels, and various sundry countries 50,000,000 bushels, it would only leave 250,000,000 bushels to be shipped from Argentina and Australa, leaving Russia entirely out of the picture. This is the situation which confronts exporting nations and places importers at ease.

Our market this morning opened quite weak, influenced by the semi-demoralized stock market, which had reversed its recent strong position. Some stocks were as much as 8 to 12 points lowere from three or four days ago, and with cotton practically $10.00 per bale off from the best levels recently attained, bullish enthusiasm received a setback.

There were one/or two more showers reported in the Southwest, fairly good rains in the more northerly districts, and on the whole weather was favorable for planting.

Broomhall in his foreign crop summary also gave a fairly cheerful picture, indicating satisfactory progress, with the possible exception of Russia.

Primary receipts of wheat were 1,543,000 bushels today, which compares to 1,430,000 last year. There were no clearances whatsoever, while last year we shipped on the corresponding day 340,000 bushels. Thus far stocks at Kansas City, Duluth and Minneapolis show a net increase for the week of 739,000 bushels. Canadian country marketings were 6,351,000 bushels.

Last week's division of exports, according to Broomhall, shows that the United States shipped 479,000 bushels and Canada approximately 2,944,000, or like the week before, six times as much from Canada as from our own country.

In the early trading rye and wheat futures at Winnipeg again went to new seasonal lows, and this was also true of some of our corn and oats futures in Chicago. Later in the session as the security market improved, short covering took place and the market had a fair rally.

We presume that coarse grains will be influenced somewhat by the trend of the leading cereal, altho they are terribly cheap now, and it is not likely that farmers will market heavily unless some improvement in prices should occur.

UHLMANN GRAIN CO.

# DAILY MARKET LETTER

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WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

CHICAGO Sept. 14, 1932.

Liverpool made a very poor showing this morning; their first quotations were about as high as had been expected, following advances in North America yesterday, but toward the last they were only fractionally up for the day.

There had been some press gossip about a foreign pool being formed with the idea of purchasing 50,000,000 bushels of wheat from the farm board, and in some quarters importance was attached to this. We gave it very little credence for the very reason that the farm board itself admitted only having about 3,000,000 bushels of cash wheat left, and we doubt very much whether they will buy outright or take on delivery any such quantities unless they could be sold abroad at a profit. This certainly cannot be done now with cheaper Canadian offerings.

We understand from our friends in Winnipeg that there is a good business passing right along in Manitobas, but their prices are much more attractive to the foreigner, and for that reason we see very little chance of exporting much United States wheat until our prices come in line competitively. It is not likely either that suggestions to the effect that we will trade supplies here for zinc, or make long time credits, will finally find fulfillment, and because of that, the only comment that we can make is that prices are not on a sound basis until we can reduce our stocks thru export.

The demonstration which took place today showed what happens to a market when there are no big shorts. We have contended right along that the open interest of 168,000,000 bushels consists mostly of hedgers on the one side, or possibly in a smaller measure, spreaders who are long in European and Canadian markets on account of their relative cheapness; and on the other side of the picture there is possibly a certain amount of farm board wheat speculatively held, and others who probably feel that wheat is at fairly low levels and might enjoy prosperity when economic recovery takes place. Our market letters have cautioned against enthusiasm when fundamentals are not right, and we have always found in the past that in the final analysis supply and demand set the price.

Primary receipts were quite heavy today, at 1,977,000 bushels verus 1,337,000 last year. No wheat was cleared again today, which is always disappointing, altho last year corresponding day, only 11,000 bushels were shipped. Stocks at Kansas City, Duluth and Minneapolis show a total increase thus far this week of 1,064,000 bushels. Canadian marketings were 6,300,000 bushels.

Other grains were influenced by the sharp break in wheat. Oats and corn are hovering around season's lowest levels, and wheat, particularly in Winnipeg, is not very far from the seasonal low quotations.

The Argentine Government's corn report in its second estimate forecasts 285,000,000 bushels, compared to 267,000,000 on its first estimate and 441,000,000 two years ago.

UHLMANN GRAIN CO.

# DAILY MARKET LETTER

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MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

Sept. 16 1932.

Liverpool was more or less indifferent today, starting a shade higher, but the finish was about 1/2 lower for the deferred delivery with Sterling quoted one point down. This in turn had a reactionary effect upon Winnipeg prices, and that market made very little headway on the up side, despite occasional rallies in Chicago.

In looking over the situation, this is not difficult to understand. The Searle report, which was issued today, is about in line with previous estimates, forecasting 452,000,000 bushels for the three Western Provinces; this, together with the eastern section and the carryover gives Canada a total in excess of 600,000,000 bushels. According to Sanford Evans, the last two weeks have afforded ideal harvesting weather, and last week's run from the country amounted to 38,000,000 bushels. Since August 1st until three days ago, when Evans compiled his figures, there had been total deliveries of 70,968,000 bushels at country stations, versus 38,314,000 for the same period last year. Since that time 20,000,000 bushels have been marketed, and it now looks, at the present rate, as though there might be 90,000,000 bushels additional from country points within the next fifteen days. If this is correct, we doubt very much whether export business will fully satisfy that amount of pressure. It is true that possibly 10,000,000 bushels of Manitobas have been sold during the last few days, but this had resulted from the fact that Canadian prices were at about the lowest levels of the season, and taking the discount of the Canadian dollar it affords new low values both for Europe and the Orient. Now that heavy purchases have taken place there may be days like today when the follow-up export orders will be extremely disappointing.

Trade was exceptionally quiet, and prices did not go very far from the previous close. Judging from the cotton and securities tickers there was not as much activity in the east either, where the latter markets showed a tendency to slightly lower levels at times.

There were charters made for Chicago wheat to Buffalo amounting to 300,000 bushels. This apparently represents some wheat taken in on September contracts, and which will be held for winter storage at eastern points.

Primary receipts of wheat 1,326,000 bushels compared with 1,006,000 bushels last year. No wheat was cleared again today, whereas last year 264,000 bushels were shipped. Canadian marketings continue large- 6,255,000 bushels. Stocks at Kansas City, Duluth and Minneapolis thus far this week show a total increase of 1,922,000 bushels.

Corn had difficulty in holding its advance. There were also some charters made for eastern shipments, amounting to about 140,000 bushels. Bookings to this market were quite liberal, and in spite of the low level about 92,000 bushels were purchased. Export prices were said to be about 1¢ beneath the market.

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# DAILY MARKET LETTER

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MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

Sept. 15, 1932.

Liverpool wheat cables this morning were somewhat lower, although not as weak as we had been during our sharp break yesterday. The Liverpool parity had improved somewhat with their December wheat at 4¢ over Chicago, and traders here this morning were willing to pay a higher price on the opening range.

Stocks during the first half hour were quite strong, which also helped sentiment in wheat, but a sharp break took place and grains suffered again from liquidation, due to what was considered eastern selling.

The fact that our market had declined about 8¢ in the past few weeks brought about some short covering and a more hopeful spirit.

The general news was not particularly favorable. Bradstreet's clearances for the week were only 3,763,000 bushels compared to 7,248,000 bushels the week before; the total since July 1st is now close to 48,000,000 bushels, or only 5,000,000 less than last year. Shipments from Argentina, as estimated, will be light this week, but on the other hand Russia furnished a surprise, clearing two million bushels. We believe from now on that the Canadian outward movement will be on a much better scale, as there has been a large business passing recently, while our grains are more or less neglected with the exception of a few cargoes such as were claimed worked today to the Greek government on account of preferential tariff.

We recognize, as we have in the past, that sentiment for a time can dictate prices and that markets may remain somewhat unsettled and nervous due to political hopes and fears, but finally the surplus must move into consumption, and as the Commercial Review at Portland states: "Until it does no power in the world can send the price of wheat up excepting on a fictitious basis, and then only for a short time. Stabilization proved an admitted miserable failure, it cost everybody money, and now we find prices just as low as ever. Holding policy has failed for three years and it will fail again; other countries will market at the expense of farmers--Canada is already doing it".

Cash demand is more or less quiet in the Southwest, weather remains favorable, and with recent rains it is thought in some quarters that acreage will be somewhat higher than at first estimated. On the other hand, with the decline in prices, the movement from the country will let up somewhat and premiums may have a tendency to advance as compared to futures.

According to acreage figures published by the Northern Elevator Co., it looks as though Manitoba would raise a crop of 63,000,000 bushels, Saskatchewan 223,000,000 and Alberta 155,000,000, totaling 451,000,000 bushels. This, together with supplies in the east is about the same as the Government report given out last week.

Primary receipts of wheat were 1,311,000 bushels versus 1,399,000 last year. No wheat was cleared again today and this seems to be the usual thing now, except for small quantities when shipments to Greece take place. Stocks thus far for the week at Kansas City. Duluth and Minneapolis show a net increase of 1,723,000 bushels. Country marketings at Canada were very large again today-7,203,000 bushels.

Coarse grains were helped by the slightly better feeling in wheat. Prices in the country are still very low. For corn in Kansas, for instance, the yellow cereal can be bought at prices ranging from 15 to 17¢ per bushel, either old or new. This shows clearly that where they can possibly feed it will be advantageous to do so rather than to market at present low prices.

UHLMANN GRAIN CO.

# DAILY MARKET LETTER

MEMBERS:
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MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

Sept. 17, 1932.

Sat

Liverpool wheat cables were somewhat weaker today than had been expected, altho lost their market influence due to a fairly large flour business that had been reported overnight. This resulted in the buying of futures in Chicago and outside markets. We do not lay much stress upon the periodical purchases by millers, knowing that amounts used throughout the year for domestic purposes are pretty constant one year with another. We do feel, however, that by not being able to export much flour on account of our price level being out of line, and duties imposed in England upon our wheat, that this is more of a market factor. We are also influenced by the stagnant position reported on the Pacific Coast, where no inquiry fromChina is reported, prices being 35¢ per barrel out of line for all classes of trade. E xchange rates combined against the mills in those sections, together with relative strength in the American market, precludes the North Pacific from doing much business.

We do not attach much importance market-wise to the Canadian Pool's transfer of cash and October holdings to the May delivery, except that our thought is that Mr. McFarland's attitude no doubt will be to gradually reduce holdings of such May futures as the market permits. It is thought that the Canadian interests are long in the neighborhood of 60,000,000 bushels of Winnipeg May wheat now. This, together with 40,000,000 bushels, presumably which our farm board possesses, in conjunction with 50,000,000 bushels of cash wheat donated to the Red Cross, means that probably sometime between now and May the various Governmental agencies, and the charity institution will dispose of close to 150,000,000 bushels, which at the present time is being withheld from the market. This tells the story in itself, and while immediate swings may not carry prices much up or down, in the final analysis it looks as though we would end up with a rather bad price level at the end of the season unless some catastrophe occurs later in Argentine or Australia. We feel, however, that the market will require continued support; even cotton on basis of tonight's close has lost two-thirds of its advance from the season's low level.

World shipments on Monday will not be very large-- outside of North America they amount to 5,272,000 bushels. Bradstreet's clearances were light, but Broomhall may give larger figures, as he uses different dates for the compilation of his material. In any event, there has been a good Canadian business worked during the past week, altho the last two days were extremely dull. This will mean better shipments as time goes on, and no doubt Canada will be called upon for good amounts, particularly when it is considered that up to date Russia has shipped only 3,432,000 bushels of wheat against 33,544,000 same date a year ago.

Primary receipts of wheat were 1,357,000 bushels today versus 1,617,000 last year. Stocks at Kansas City, D uluth and Minneapolis increased so far this week 1,847,000 bushels, indicating a fairly good increase in the visible supply on Monday. There were no wheat clearances today, altho in this respect did not differ from last year. Canadian marketings were 6,484,000 bushels.

Corn, oats and rye were rather dull and slightly lower in trend.

UHLMANN GRAIN CO.

# DAILY MARKET LETTER

MEMBERS:
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MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

September 19, 1932

Liverpool was fractionally higher this morning, but it had been expected by the trade. Foreign news was more or less bearish and as crop reports have been coming from western Europe it becaomes more apparent that yields are considerably better than last year. We have pointed out previously how the French crop will be considerably larger than last year; one authority, on Saturday, estimating it at 350,000,000 bushels. Now comes an official estimate on the Spanish crop of 180,800,000 bushels which compares with 134,400,000 bushels last year. Official reports from Austrlia also stated that the condition of the wheat crop was good to excellent. The acreage in that country, as well as in Argentina, will be somewhat larger than last year and therefore the Southern Hemisphere might offer considerable competition after the first of January.

Right now the important factor is the heavy marketing in Canada. Last week, for instance, country deliveries were 38,000,000 bushels compared to 13,000,000 bushels last year; and since the first of August up until last Friday they amounted to 90,460,000 bushels vs 43,290,000 bushels in 1931; today, being reported for Saturday, they were again very large at 6,637,000 bushels. The export demand was only for small amounts and therefore such terrific marketings are bound to put the price level in a vulnerable position.

There were periods of strength in sympathy with the cotton market which had an advance from the lower levels of last Saturday. Cotton was said to be higher due to tropical storms which were reported over the belt, bringing also heavy rains. There had been showers and heavy rains quite generally over Sunday in the Canadian districts, but our Mr. Johnson forecasts now fair and cooler for Alberta, while the other two Provinces will probably have showers tonight followed by clear and cooler on Tuesday. This, in our opinion, will not interrupt the marketing for any length of time.

News from the Southwest was a little more favorable for holders: cash markets showed a better basis, although the demand was not excessively large. Considering that premiums have been so very low, the last feature ought not prove to be much of a market influence.

Primary receipts today were 1,546,000 bushels compared to 2,182,000 bushels last year. There was no wheat cleared from any of our ports and a year ago 43,000 bushels were shipped. Today's visible for the week increased 1,461,000 bushels; this compared to a decrease last year of 1,372,000 bushels. Total stocks now are 184,324,000 bushels; while last year at this time they amounted to 233,132,000 bushels. Taking into account that Toledo is not included in the visible supply, present stocks are about 45,000,000 bushels smaller than last year and this ought to be made up as time goes on.

Corn, oats and rye were affected when the leading cereal broke late in the session, and the yellow cereal was the weakest as liquidation took place.

UHLMANN GRAIN CO.

# DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
EW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
EW YORK COFFEE AND SUGAR EX.
EW YORK RUBBER EXCHANGE

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

CHICAGO Sept. 20

Liverpool was quite firm this morning, and gained strength until the close of their market. We did not attach much importance to this, having recommended right along purchases abroad against sales here, figuring that sooner or later there would have to be a readjustment between the two markets. Just to show how bad the situation is when the readjustment is not there we make some comparisons on exports which are almost astounding; according to Broomhall's division of shipments during the past week, the United States cleared only 321,000 bushels, while Canada shipped approximately 5,339,000 bushels. Since July 1st, United States total clearances amount to 8,964,000 bushels, whereas last year we shipped 32,638,000 bushels. On the other hand, Canada, which is down to a world's level of prices, has shipped 49,258,000 bushels, against 37,881,000 bushels for corresponding period a year ago. With our exports being about 23,000,000 bushels smaller than last year and Canada about 12,000,000 bushels more, this needs very little explanation, because sooner or later stocks will become so burdensome in this country that prices must reflect realities

Foreign demand was dull today; even for Canadian sorts only a very moderate business having been reported.

There has been fairly good rains in the last two days in Southern Cordoba and the Pampa, which is fine for the growing crops in the Argentina; Supplementing information on the Spanish crop which we mentioned yesterday, if the present promise finds fulfillment that country will harvest the largest crop in its history. It would give them, roughly, an exportable surplus of 36,000,000 bushels above home requirements.

There is still need for good soaking rains in our Southwest, altho one or two places have reported moisture so far-- Salina receiving about one inch of rain last night. The cash demand in the Southwest has improved materially on the decline, with receipts showing quite a falling off. There were only 44 cars of wheat at Kansas City, and this point together with Salina, Hutchinson and Wichita had only 94 cars, whereas a year ago 503 cars were received. This in turn made for a better premium market, with cash prices about 1/2¢ higher for wheat based on futures.

Primary receipts today were 1,459,000 bushels versus 1,764,000 last year. Clearances, which were the first in several days, amounted to 285,000 bushels as compared to last year's total of 466,000. Stocks thus far this week at Kansas City, Duluth and Minneapolis show a net increase of 598,000 bushels. Canadian marketings continue large and yesterday amounted to 6,242,000 bushels. Bradstreet's visible supply this week shows an increase of 22,384,000 bushels against 12,681,000 bushels last year; the total now is 354,000,000 bushels compared with 430,000,000 in 1931.

Corn, oats and rye were all quite firm in sympathy with slightly better quotations which were registered in wheat.

UHLMANN GRAIN CO.

# DAILY MARKET LETTER

MEMBERS:
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141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

CHICAGO Sept. 21, 1932.

After the close last night sentiment was quite bullish, based on the strong stock market, and this carried over until this morning when sharp gains were again added to most of the quoted securities. There was also strength in the cotton market. It was a foregone conclusion that even with Liverpool indifferent at the start we would see higher prices here. Apparently there were a few shorts who had not covered yesterday, and these eagerly came into the market, together with Eastern buying, to find pressure rather light.

There had been a rather hopeful sign in the export outlet until our advance today. Liverpool October wheat showed about the best premium on the crop over Chicago September, almost permitting small lots to be worked abroad. Of course, in this connection one should not become too enthusiastic, as it is probably some distressed wheat already at or near gulf points which could be had at about 2¢ over the Chicago futures. For any large quantities it would naturally require a higher premium to attract wheat from the interior of the country to Atlantic or Gulf positions. For that reason, we doubt whether a very large business could be put through, particularly with Canada still showing anxiety to reduce her surplus.

We have very little faith that the commodity pool will do much to encourage inventories, as the mills generally have enough capital to handle their requirements. Furthermore, those that need to carry stocks of grain also can use their credit at the banks to handle this without other help.

We do appreciate, however, that at times markets are greatly affected by outside influences, and for the time being sentiment may carry us higher than the consumptive demand will justify. Whenever those periods occur, as they did two or three weeks ago, readjustments come about again, and for that reason we cannot enthuse on the present advance.

Receipts of wheat in the Southwest were very light again today, and premiums were quoted unchanged to 1/2¢ higher, but with better prices being paid to the farmers there will no doubt be more offerings within the next day or two.

Primary receipts today were 1,553,000 compared to 1,181,000 bushels last year. There was no wheat cleared today, but corresponding time last year only 64,000 bushels were shipped. Canadian marketings were somewhat smaller, probably influenced by recent rains, but still amount to 4,830,000 bushels. Stocks at Kansas City, Duluth and Minneapolis so far this week show an increase of 567,000 bushels. Bradstreet's exports for the week amounted to 5,123,000 bushels, while last year they were 7,513,000 bushels.

Corn, oats and rye received some benefits from the sharp advance in wheat, and country offerings of corn increased considerably at the higher level.

UHLMANN GRAIN CO.

# DAILY MARKET LETTER

MEMBERS:
ICAGO BOARD OF TRADE
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CHICAGO

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

Sept. 22nd, 1932.

iverpool wheat quotations followed pretty well our advances of esterday, and this is not surprising in view of the fact that the oreign market is only about 4¢ over us, taking as a guide the two ecember futures. Advances in the New York Stock market were in ome cases almost pehenomenal yesterday, considering that a security ike U. S. Steel had advanced practically 10 points from the pre- ious day's low. In percentage this is almost more than markets hich were witnessed during the 1929 period. Consideration must ave been given to these facts, because at the opening this morn- ng prices turned downward, and early cotton advances also gave ay to losses. This resulted in considerable profit taking in heat, and many traders gave up theories and went back to facts. ur market letters have always warned against becoming enthusiastic nless news or demand followed the upturn.

verybody knows now that Canada has a very large crop and a big roblem to dispose of stocks. Yesterday's demonstration, with innipeg lagging, was almost like racing an automobile with the rakes on. Careful thought must certainly lean to the conclusion hat permanently higher prices are only justified if we can dis- ose of our huge surpluses.

here was a statement today that possibly the Reconstruction inance Corporation would finance 25,000,000 bushels of wheat to hina on credit. We presume that unless the price is sacrificed hey would have to make very liberal terms in order to accomplish uch business, as wheat from Vancouver is offered at cheaper rices than from our own Pacific Coast.

here were fine rains reported over a good many sections of our outhwest; Central Kansas was well favored, and there were showers ven in the west, where it had been dry. Later in the day there ere reports of one to four inches of rain in the Texas territory, outh of the Panhandle embracing Abilene and Sweet Water districts. uch moisture at this time will undoubtedly encourage further lanting, and will be fine for the winter wheat already sown.

e understand that the Red Cross is disposing of its supplies very lowly. Charity organizations tell us that the trouble is that he smallest of unit for the package is 24 pounds, and in order to epack and use where actually needed the expense is very great.

rimary receipts today were 1,215,000 bushels compared to 1,391,000 ast year. No wheat was cleared again today, against 34,000 bushels year ago. So far this week stocks at Kansas City, Duluth and inneapolis show a net increase of 1,291,000 buhhels. The increase s all in the northwest, with Kansas City showing 285,000 less. ountry marketings in Canada were somewhat smaller than last week, ut still were 4,085,000 bushels; clearing weather is setting in. ussia, which supposedly will not be much of a factor this year, hipped 952,000 bushels of wheat, and estimated shipments from rgentine were 1,102,000 bushels.

ew in the trade had thought, after yesterday's advance and wheat as called, that on the day following sentiment could change so uickly, but we have expressed opinions right along that continued uying willbe necessary to bring about upward swings.

orn, oats and rye, while not enjoying the same size trade as heat, were influenced by it. Corn is suffering from free offer- ngs from country points- about 300,000 bushels were bought to rrive, and sales from Chicago were reported quite small.

UHLMANN GRAIN CO.

# DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
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MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

CHICAGO Sept. 23, 1932.

More rains were reported in isolated localities overnight, and these, in our opinion, must be highly beneficial for fall planting. The Modern Miller in commenting on the recent moisture of the past week, says that better progress can be made now, altho a large area still requires rains if the crop is to go into the ground under favorable conditions.

Liverpool followed fully our yesterday's decline, and it would have been discouraging to local traders had there not been a fairly good milling demand overnight, which required the buying back of hedges.

What impresses us most at the present time is the large crop and carryover in Canada, which we think will be with us for the entire season. Based on the Dominion Government's estimate of 446,000,000 bushels for the Provinces, and deducting 55,000,000 bushels which is generally counted on for feed, seed, etc., there is 391,000,000 bushels of marketable wheat, outside of the carryover which amounted to about 137,000,000 bushels. Including today, country deliveries are about 115,600,000 bushels, or 30% of the wheat which will finally leave the farms; and this, in spite of the fact that rains have slowed down deliveries the past few days.

We believe that the action of the Canadian market shows that Mr.MacFarland is fully cognizant of the responsibility which rests upon his shoulders. It behooves him to export 150,000,000 bushels more wheat than a year ago unless he wants to again add to the carryover; but since the Government appreciates now the cost of carrying wheat from one crop to another, we believe that Canada will constantly be in the market disposing of her goods at the expense of ourselves. Even today the demand for Manitobas was rather slack, despite the fact that all wheat futures in Winnipeg touched the season's low point. With European countries, like Sweden, France and Spain, reporting bumper crops, Broomhall may finally have to reduce his estimate for import requirements. It is true that Russia to-date has shipped much less than last year, and will probably not be a factor as far as exports are concerned on the balance of the crop, but the fact that Russia will probably not import either will make the problem of the exporters an extremely difficult one, and for that reason we cannot see any possibility of sustained advances.

Primary receipts today were much the same as last year, 1,345,000 bushels compared with 1,430,000 at that time. Wheat clearances were quite heavy, probably including a steamer for Greece, totaling 393,000 bushels, while last year nothing was shipped. So far this week stocks at Kansas City, Duluth and Minneapolis show a net increase of 1,809,000 bushels. Stocks in the northwest increased while Kansas City for four days decreased 413,000 bushels. Canadian marketings were some lighter on account of recent rains-3,401,000 bushels.

Corn, oats and rye were rather quiet in trading. The yellow cereal was influenced by good offerings again from the country, altho the eastern demand from Chicago was reported a little better and some sales were made for outward shipment.

UHLMANN GRAIN CO.

N.B. In the event that our market letter is not reaching you promptly, we would appreciate your advising us.

# DAILY MARKET LETTER

MEMBERS:
HICAGO BOARD OF TRADE
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MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

CHICAGO Sept. 24, 1932.

Sat

A week ago tonight our market had closed at 1 1/2¢ lower than now, and Winnipeg unchanged. In other words, our chances of exporting wheat are just a little more obscure. It is interesting to note the official United States figures on exports, published today for the month of August. They amounted to 5,768,000 bushels while last year they were 11,781,000. Since the start of the crop year, or for the months of July and August, we shipped 10,540,000 bushels against 29,035,000 a year ago.

To any student of economics, it becomes more apparent that the way to ultimate recovery is not by raising prices now, but rather to let the market continue on its own initiative until we reach a basis where stocks can be orderly reduced thru export channels. We appreciate that there is a very strong sentiment in the east, which would like to see higher wheat prices, in an effort to benefit the economic recovery which is already under way. We have no doubt but that greater farmers' purchasing power would help the country as a whole, but where we do become skeptical is whether it is wise to try to bring about higher prices unless they are really warranted. There is always a reaction from any artificial stimulation, and the good old book on economics states that the longer an article is kept above its normal value, the lower it will sink and the longer it will stay low.

Today's advance, which was more or less speculative, brought about increased hedges both from the northwest and from the southwest. Our people in Kansas City tell us that the higher level of prices will probably bring a larger movement from this country, and therefore, it is not easy to foresee what benefits will be derived from simply having temporarily higher prices. What we should be thinking of at this time is to reduce stocks sufficiently so that by next year when the new wheat crop comes on the market, we will be in a position to help the farmer on the entire amount of his holdings rather than at the present time on his remaining surplus, which is small in comparison.

Routine news today did not count for very much. The fact that the stock market was higher overshadowed a great many other considdrations, and the trade, which is in a more or less bullish frame of mind, forgets comparisons with other markets, which finally is the barometer of our own values.

Primary receipts of wheat today were 1,245,000 bushels versus 1,539,000 in 1931. So far this week the net increase for stocks at Kansas City, Duluth and Minneapolis amounts to 1,559,000 bushels, indicating a moderate increase in the visible supply again on Monday. There were no clearances again today, while last year 326,000 bushels were shipped. Canadian marketings with clear weather made little more headway, reaching 3,639,000 bushels.

Corn, oats and rye benefited at the start from the sharp advance in wheat and later reacted. The country offerings of corn were of good size, but the eastern demand has also improved a little with about 120,000 bushels having been reported as sold to leave Chicago,

UHLMANN GRAIN CO.

# DAILY MARKET LETTER

MEMBERS:
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MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

Sept. 26, 1932.

iverpool wheat quotations were some higher, but not quite as strong
s expected, and their December wheat is ruling about 3¢ premium
ver Chicago.

orld shipments made a better showing than for several weeks,
mounting to 13,863,000 bushels against 15,859,000 last year, inicating that Canada has shipped more.

ine rains were reported in many localities in the southwest, and
s the session progressed other points in the western areas reorted it was still drizzling. At Amarillo, for instance, there
as 1 1/2 inches of rain since last Thursday, and with general
oisture over the Panhandle this week-end, and in western Kansas,
ike Liberal, 1/2 inch of rain was received. We are mindful of
he fact that with the dry weather which has prevailed more rain
ill be neeced, but whatever has already occurred is certainly
onsidered as beneficial.

anadian marketings, which have been a depressing factor for someime, show a total up to September 23rd of 119,443,000 bushels
ersus 48,936,000 a year ago, or over double. Today's marketings
ere a little bit heavier, and they amounted to 4,044,000 bushels
ince clearing weather has set in.

roomhall, in his early estimate of import requirements for Europe,
ave us reason to believe that 705,000,000 bushels would be reuired, but with the bumper crops so far reported in France, Spain
nd Sweden, and today Italy joining the rank, we think that this
igure will have to be lowered. Should the present promise find
ulfillment, Italy, it is said, might raise 271,000,000 bushels,
hich would be the largest amount ever harvested, and on that
asis only about 18,000,000 bushels would have to be imported into
hat country compared to 88,000,000 bushels in recent years, and
efore the war in some cases as much as 150,000,000 bushels.
here were also reports today that the Australian crop was making
ood headway, and a larger crop indicated than last year. The
ne country which might prove disappointing is the Argentine, but
ith more rains, even locust damage will be minimized.

rimary receipts of wheat were 1,856,000 bushels, which compares
ith 2,053,000 last year. For two days Minneapolis stocks have
ncreased 275,000 bushels. No wheat was cleared today and a year
go 396,000 bushels were shipped. The visible supply showed an
ncrease of 1,606,000 bushels; this compares to about a similar
ecrease a year ago. Total stocks now are 185,930,000 bushels
ersus 231,626,000 in 1931, showing about 45,000,000 bushels less
ow than a year agol It Toledo stocks were still included the
isparity would be only about 40,000,000 bushels.

here were considerable fluctuations back and forth; one house
rominent for its eastern connections was on the buying side, but
ith the generally weaker securities market sellers were present
nd the market did not make much headway.

eceipts in Kansas City were quite good at 154 cars of wheat, and
n Hutchinson 139 cars, which is large considering that elevators
n that part of the country are almost full. In northwest, Duluth
nd Minneapolis received 1,500,000 bushels of wheat, and this
upplied additional pressure with hedges coming into the market.

ye was quite strong in its trading today, but corn and oats were
ndependently weak and closed slightly lower.

UHLMANN GRAIN CO.

# DAILY MARKET LETTER

MEMBERS:
HICAGO BOARD OF TRADE
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MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

Sept. 27, 1932.

hen traders came to their offices this morning they found ad-
itional moisture scattered throughout the country; rain had not
een exceptionally heavy anywhere, but the Ohio Valley had been
avored, and the western section of Kansas reported one-half inch
f rain at Norton and in that general territory. Also one inch
as reported at Clay Center; So that is an improvement at a time
hen moisture is very important.

iverpool was fractionally lower when our market opened, but
losed almost 1¢ off, probably influenced by favorable crop
omment in Broomhall's summary. There is still some apprehension
bout Northern Argentina, which is not unusual at this time of
he year, but otherwise prospects are quite good, and the recent
ains in Australia are very encouraging.

here has been talk lately of 15,000,000 bushels of wheat which
ight be financed by the Reconstruction Finance Corporation to
hina. Some are wondering whether it can be legally arranged,
nd other authorities are of the opinion that the deal lacks only
he official signature to put it into effect. Should such an ar-
angement be consummated no doubt the burdensome stocks on the
acific Coast would be reduced, but in the end it would not be
ery helpful unless further exports could be brought about thru
ur main trade channels.

radstreet's clearances for this week amounted to 7,217,000 bushels
rom North America, which is running better than a few weeks ago.
t is interesting to note from Broomhall's division of last week's
hipments, that the United States cleared only 1,348,000 bushels
hile Canada shipped 6,570,000. Thus it is not difficult to see
hat happens when prices are held above an export parity, and in
he end a continuation of this process would be beneficial to
anada and harmful to us. It is also quite significant that while
he United States commercial stocks, plus the amount of U.S.
heat in Canada are 87,473,000 bushels smaller now than those
ame stocks were a year ago at this time, still the total Brad-
treet's visible is much more in line with last year's figures.
here was an addition in this week's visible of 32,004,000 bushels,
nd for the same week a year ago it had increased only 5,055,000
ushels. The grand total is now 386,000,000, while in 1931 it
mounted to 435,000,000bushels.

rade did not gather large proportions, nor was there much momentum
n either direction. The fact that all futures in Winnipeg went
o new low ground discouraged buying except by houses with eastern
onnections, but with the securities market somewhat better there
as not much initiative on the short side except from new hedges
oming into the market.

rimary receipts today were 1,305,000 bushels which compares with
,259,000 bushels last year. There was some wheat cleared today
rom Baltimore and Philadelphia, total amounting to 150,000
ushels; last year on corresponding day we shipped 113,000 bushels.
anadian marketings were quite heavy, and amounted to 3,753,000
ushels. Stocks at Kansas City, Duluth and Minneapolis show a net
ncrease so far this week of 424,000 bushels.

orn, oats and rye drifted along; the yellow cereal went to new
ows for the season, but had a partial recovery before the close.

UHLMANN GRAIN CO.

# DAILY MARKET LETTER

MEMBERS:
ICAGO BOARD OF TRADE
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/ YORK RUBBER EXCHANGE

UHLMANN GRAIN COMPANY
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CHICAGO

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

Sept. 28, 1932.

iverpool quotations were fractionally lower this morning, having een expected higher, and this was discouraging to local traders. e should imagine that any one who pays attention to prices n foreign markets would receive very little encouragment right ow , particularly if they look at the price of February wheat in uenos Aires, which is selling at about 45¢, or practically 15¢ er bushel lower than Chicago May wheat. This is quite significant n view of the apprehension felt about the locust pest and other rop damage in Argentine. It seems that everyone is worrying xcept the people actually involved.

ith the passing of several months now since the new crop started oving, we find that North America has practically as much wheat s it did last year at this time. The visible supply in the nited States is 46,000,000 bushels smaller, but offset by 5,000,000 bushels more in Canada. Up to the present time, world hipments, including September 24th, have been 118,000,000 bushels ompared with 186,000,000 bushels a year ago; or in other words, 8,000,000 bushels less. This confirms the theory which we have ad right along; namely, that world requirements would be coniderably smaller than in 1931. With the exception of Russia nd the Danubian Provinces, reports from abroad indicate better rops in practically every country.

he Canadian market showed relative strength early, and there was eason to believe that possibly Pool support was affecting their utures. As the session advanced eastern buying lifted prices n Chicago, and when that came about Winnipeg was inclined to lag. he market strikes us as wanting very much to go down, but not ermitted to do so, and with the numerous buying orders which have een placed in the pit in the last few days, the response at no ime has been very great. We believe it will be extremely difficult o bring about further sharp advances, because the situation has robably never been this way in years past. Ordinarily when great fforts are made to boost values the stocks on hand are not abormally large, but right now any group of traders could take illions of bushels of wheat out of the pit and it would hardly be issed.

here is no question but that the country movement picked up coniderably on today's advance, and we expect that receipts next eek will be larger.

rimary receipts today were 1,196,000 bushels against 1,101,000 ushels last year. No wheat was cleared today, while a year ago 03,000 bushels were shipped. So far this week stocks at Kansas ity, Duluth and Minneapolis show a net increase of 963,000 ushels, foreshadowing another addition to the visible supply on onday. Canadian marketings were 3,763,000 bushels.

ll deliveries of corn sold at new low prices for the season on cattered liquidation. The December delivery which touched 28¢ as a new low since 1899, and our opinion is that in spite of the ood prospect caution should be exercised at this very low level.

UHLMANN GRAIN CO.

# DAILY MARKET LETTER

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MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

Sept. 29, 1932.

iverpool had been expected higher, but actually came lower. rgentine weather had improved with rains falling in the Pampas nd in the South, and conditions are favorable everywhere except or the locust menace in the north according to the Broomhall ispatches. We have contended right along that the price of ew wheat in Argentine, at around 45¢ for the February delivery, as in itself evidence that no great alarm was fostered by people ho live there.

ccording to the weather outlook, there is a possibility of unettled conditions in the Texas Panhandle, and maybe also in estern Kansas, which if it develops would be very fine.

e chief interest recently has not centered around statistics r upon the demand; nor has speculation taken into account the act that the better prices recently paid have brought out more fferings from the farmer, but efforts apparently in purchases ere made with the idea to bring about the same economic acomplishments for farmers as might occur in other trades. The roblem, however, as we see it, is a much more difficult one here. innipeg futures again made new lows for the season, and their ompetition practically precludes the possibility of exporting heat from the United States.

or six successive years now we have added to our carryover, and if e keep our prices above a world's level, we shall have the seventh ear of mounting supplies. When it is considered that our carryver at the end of 1926 was only 99,000,000 bushels, and at the nd of last year it was 378,000,000 bushels, one can readily undertand that it is not easy to get the price level permanently igher except by real demand. The home consumption, in our opinion, s not sufficient to bring this about. We appreciate that peculation at times can hold the price, or even advance it, but he paramount issue right now is to pave the way and reduce our tocks before Argentine competition starts in January, so that e will have a smaller carryover next year, thus bringing about etter price levels than could otherwise exist.

rimary receipts today were 1,186,000 bushels compared with ,266,000 bushels last year. No wheat was cleared today, against 49,000 bushels shipped a year ago. So far this week stocks at ansas City, Duluth and Minneapolis show an increase of 1,191,000 ushels. Canadian marketings were 3,937,000 bushels. Russia urnished a surprise today, having shipped 1,912,000 bushels.

rices in Chicago are about 3¢ lower than they were three weeks go. Little headway is being made in spite of purchases, and t is our attitude that nothing much can be expected on the up ide until the Canadian situation clears itself more.

orn, oats and rye were affected by the late break in wheat, and he yellow cereal made another new low figure today, which is ery discouraging, as this article, which is much more abundantly roduced than wheat, is obviously more important to the farmer, ltho not so often mentioned.

UHLMANN GRAIN CO.

# DAILY MARKET LETTER

MEMBERS:
CAGO BOARD OF TRADE
YORK PRODUCE EXCHANGE
YORK COCOA EXCHANGE
ORK COFFEE AND SUGAR EX.
YORK RUBBER EXCHANGE

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 6282
141 W. JACKSON BLVD.
CHICAGO

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

Sept. 30, 1932.

iverpool cables were fully as weak as had been expected, and when ains were reported over many sections of the Panhandle and erritories located in western Kansas, with indications for more, here was liquidation at our opening.

here had been news from Washington this morning, indicating a ossibility of financing some grain with Reconstruction Finance orporation funds, altho legal sanction is still in doubt. Reports rom Portland, Oregon, claimed that China was prepared to purhase 11,000,000 bushels of wheat immediately, and willing to pay ash for it unless the Finance Corporation agreed to sell on credit. othing definite was heard on this during the session.

ome statistics were furnished to the trade showing that the Red ross still had 51,000,000 bushels of farm board wheat which were eing carried on storage, and we presume that as this amount is isposed of an equal quantity from the present crop will be dislaced. Naturally, all this does not increase home consumption. e have pointed out in our previous market letters that there is eally no over-production of wheat in the world. Last year's crop as about equal to world's consumption, and we doubt whether this ear's raisings will be in excess of what will be needed. The nited States raised about 170,000,000 bushels less, and the Balkan ountries had a crop failure, offsetting the fine prospects in ermany, France and Spain. Then also Russia will not be exporting, xcept moderate quantities compared with 1931. We doubt whether he world's carryover on July 1st, 1933, will be much larger than t was this season. Unfortunately, however, this would again mean tremendous pressure from the accumulation of 1930 and 1931, and t becomes increasingly clear that not until the old stocks of heat are disposed of can we even hope for moderate prices in wheat. he United States has reduced its acreage from the high point, but till is raising more wheat than it can consume; and consequently s absolutely dependent upon export business.

e fully appreciate that the price in Chicago looks low, but wheat s an expensive article to carry, and when speculators finally get ired of holding enormous quantities, and probably long before the ext crop matures, their selling might create serious losses to his market and heavy declines from present levels. It is only if uropean prices could advance much that the situation could change. his, of course, will finally depend upon the outcome of crops in rgentine and Australia.

e still feel at the present time that there is too much of a load f wheat in the world, enabling the buyer to dictate prices.

rimary receipts today were 1,334,000 bushels, or considerably ore than last year when they were 893,000 bushels. Wheat clearnces all from Galveston were 75,000 bushels, while last year 681,000 ere shipped. Kansas City, Duluth and Minneapolis show a net inrease so far this week of 1,228,000 bushels. Canadian marketings ere larger again with good weather and amounted to 4,279,000 ushels.

orn was again under pressure; the September delivery sold at 25¢, nd this is certainly an extremely depressing price that the armer back in the country receives.

UHLMANN GRAIN CO.

# DAILY MARKET LETTER

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MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

Sat.
Oct. 1, 1932.

iverpool was unresponsive this morning; they naturally follow ore the trend of the Canadian markets than any advance which akes place in the United States, and we think this will continue o be the case. The situation in Canada remains very bearish. otal country marketings todate are close to 150,000,000 bushels, r almost 100,000,000 larger than last year. Today they showed uite an increase over recent days, and amounted to 5,696,000 ushels, and at this rate the pressure is bound to be enormous, ecause the amount taken for export is nowhere near this quantity; herefore, there can be very little revival of activity in world's arkets until such a heavy movement subsides. Deliveries on ctober contracts in Winnipeg amounted to 7,458,000 bushels; also ndicating that there is plenty of cash wheat to go around, and that he demand is not at all urgent. We believe, however, that Canada ill continue to dominate world's markets, and the bulk of the usiness which is done for the next 2 1/2 to 3 months will be in anitoba varieties.

nder the circumstances there is little belief that Chicago rices can advance very much. Milling business is spasmodic n this country, but it is not sufficient to take care of the tocks that have been accumulated during the last two years.

he weekly weather outlook does not indicate a great deal of oisture, altho showers are predicted near the middle of the eek in the Great Lakes region; also showers in the northern ection of the Plains region near the beginning and the end of he week. There has been a fair amount of moisture in the anhandle of Texas, Oklahoma and Kansas, altho more would be ery welcome at this time. Indications are that winter wheat creages might be cut about 10%, altho this figure will vary, deending upon rains received from now on.

ash wheat in the Southwest is getting draggy, receipts keeping p and demand poor.

rimary receipts were 1,458,000 bushels, which is quite large, onsidering 1,062,000 last year. No wheat was cleared again oday, while a year ago corresponding day, we shipped 80,000 ushels. So far receipts at Kansas City, Duluth and Minneapolis how a net increase of 1,381,000 bushels, and we believe that he visible supply on Monday will show an increase again.

orn was rather dull in trading. The first car of new corn arived in Chicago, coming from Central Illinois. It graded ample, moisture was 25.80% and sold at 20¢ in Chicago.

UHLMANN GRAIN CO.

# DAILY MARKET LETTER

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MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

Oct. 3, 1932.

verpool was slightly higher this morning, which had been expected view of our advance on Saturday.

few rains have been reported in Texas; otherwise, temperatures re seasonal, and our Mr. Johnson believes that more moisture will ll in sections of Eastern Kansas and Nebraska, which will be neficial for the growing crop. One of our friends advises us in day's mail that with the recent moisture in the Texas Panhandle e south Plains region is now in wonderful condition, and during e last week there were two good rains and several showers for e north Plains, so there is really nothing much to worry about that part of the country for the time being.

om private estimates which were furnished today, it would seem at the winter wheat acreage will not be quite as large as st year, possibly 3 to 4% less, much still depending upon the rmers' finances and weather from this point forward. In any ent, we still adhere to our theory that there is too much wheat e world over, and now Mr. Broomhall, in his summary, confirms record crop for Italy, which country will require only small portations during the coming season. Wonderful yields there eate a situation much the same as occurred in Spain, France and rmany, particularly the former two nations.

ken as a whole the trade paid very little attention to news day, many of them awaiting President Hoover's speech in Iowa morrow, where, it is said, an important announcement on the ture policy towards the farmers will be discussed. Those who ve watched the farm board's activities during his administration re guessing as to what the next step might be. It is our opinion, wever, that regardless of what the markets will do between now d election that finally we will have to return to an export sis, and as such, we cannot change our previously expressed ews.

are also mindful of the fact that last week Canada cleared very avily, and probably the largest amount in over a year. However, 500,000 bushels per week is practically the quota that will be cessary in order not to carry over any more wheat than she did st year when a very high carryover was attained.

imary receipts of wheat today were large- 1,799,000 bushels ile last year they were only 1,381,000 bushels. Clearances were tremely light at only 12,000 bushels, while a year ago 54,000 re shipped. The visible supply increased 1,591,000 bushels, much the same as in 1931; and the total now is 187,521,000, ich compares with 233,109,000 a year ago. Considering that ledo is no longer taken into these figures, this year's show- g is about 40,000,000 bushels less than last year. Country rketings in Canada were 4,462,000 bushels. Canadian visible pply of wheat increased 8,699,000 bushels.

rn was not very active in trading today, and the country despite e low price continues to offer quite heavily.

UHLMANN GRAIN CO.

# DAILY MARKET LETTER

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DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

Oct. 4, 1932.

iverpool was slightly lower this morning, and no doubt influenced y the continued weakness in Winnipeg, despite the fact that heir futures had been supported by the Pool. Weather in the rgentine is mostly favorable, and the crop prospect in Australia s good, which is all that can be expected at this season of the ear.

he chief bearish incentive today was the Bradstreet's visible upply, which increased 27,522,000 bushels this week, and is ertainly a very large amount and compares to a decrease of ,466,000 bushels last year. The total now is 414,000,000 bushels, r only 18,000,000 bushels smaller than a year ago, and nearest o that figure which it has been all season.

hen Broomhall's division of wheat and flour shipments for last eek were posted it must have been a shock to any American who ad hoped that our stocks would gradually be reduced thru exorts. Of the 8,426,000 bushels, which North America cleared, he United States furnished only 481,000 bushels, while Canada hipped approximately 7,945,000. In other words, the ratio is about ixteen to one in favor of Canada, and on that basis it is not easonable to expect that our market can forever run the race lone.

or three years now it has been boasted that we have kept our rices above an export level, but at least during that period the arm board sold abroad often at a loss, thereby occasionally reucing the weight of supplies. At the same time we increased ur carryover, and with about 375,000,000 bushels carried from the ast crop, the partial failure in winter wheat will hardly be oticed this year.

any traders have made purchases in preparation for the President's ddress tonight at DesMoines; it is hoped that some constructive eature in agriculture will be the keynote of the discussion.

learances today were 283,000 bushels against 407,000 bushels hipped a year ago. Primary receipts amounted to 1,191,000 ushels and last year they were 1,030,000 bushels. So far this eek Kansas City, Duluth and Minneapolis show a net increase of 70,000 bushels. Canadian marketings amounted to 4,283,000 ushels.

s long as March wheat in Rotterdam sells for about 51¢, and in uenos Aires 45¢ for February delivery, we cannot see much chance or holding prices permanently.

orn was influenced by small export sales, and local buying oosted the price about 1¢ per bushel, figuring that this article ad been selling at extremely low prices.

UHLMANN GRAIN CO.

# DAILY MARKET LETTER

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MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

Oct. 5, 1932.

iverpool was fractionally lower this morning, but became weaker t their close. Our market was mostly influenced by President oover's address at DesMoines last night, because it had generally een expected that something bullish might be offered to agriculture. ust why an inference of this kind was drawn we fail to understand, s the present policy of cooperative marketing has supplanted the ormer stabilization attempts, which had apparently fallen short nmeeting the problem.

r. Hoover came out openly with the statement that even an in-irect purchase and sale of commodities is absolutely opposed to is form of government. He further mentioned that stabilization hould be repealed from the Farm Marketing Act, and stated that e had no economic patent medicinespecially compounded for armers.

nis, in our opinion, is constructive in the final analysis, as it eans that there will be less artificiality to the markets, and nat sooner or later we must revert to an export basis. In order o do that, we will naturally have to meet international prices o that the Chicago market may finally sell considerably below ne present parity. Broomhall in his resume called attention to ne fact that Argentine wheat was offered cheaper than #2 Manitobas. anadian wheat in turn is considerably below the price of American neat. May wheat in Winnipeg is about 1¢ under the same de-ivery in Chicago, and with a further 4 or 5¢ allowance for the iscount of the Canadian dollar, and considering the better quality f their crop, it offers the Canadian wheat on a much better asis than our own. When it is considered also that Rotterdam arch wheat is about 6¢ under the price of Chicago May wheat, when rdinarily the shipping cost will bring that market to a 10¢ pre-ium over us, one can readily understand our feeling, and how ooner or later fundamentals will again come into play.

e sent our friends urgent advices this morning to study care-illy the difference between the high comparative level of Chicago ay wheat with the much cheaper prices competitively in foreign arkets, and apparently this advice was well timed, because the eadjustment has come about partially; during the decline which ook place here, Winnipeg was only fractionally lower than their revious close. As long as the United States raises each ear more wheat than it consumes at home it naturally becomes ecessary to do an export business; and with six successive ac-umulations now in the carryover it makes that necessity all the ore urgent at the present time.

rimary receipts were almost double of last year, being 1,375,000 ushels now against 709,000 at that time. A little wheat was leared today- only 12,000 bushels compared with 16,000 last year. o far this week stocks at Kansas City, Duluth and Minneapolis how a net increase of 328,000 bushels. Canadian marketings are maller at 3,662,000 bushels.

ome support was lent to the market towards the last when buying ppeared against bids, but in our opinion the final outcome will ot deal with individual transactions, but simply on basis of upply and demand, which appears to favor a still lower trend.

orn was under pressure; like wheat, being influenced by quite a harp break in stocks and cotton, but the yellow cereal in the ast two years has declined from 96¢ to practically 25¢; in our pinion, the farmer will do much more feeding in the future and herefore ship less of his corn to market.

UHLMANN GRAIN CO.

# DAILY MARKET LETTER

MEMBERS:
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UHLMANN GRAIN COMPANY
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MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

Oct. 6, 1932.

verpool wheat cables were weak this morning, March wheat there selling at 1¢ beneath the price of Chicago May wheat, and such situation is untenable, because ordinarily at this time of the ar the foreign market should be at a shipping difference over us. have gradually taken the attitude in this country, which was ssibly sponsored by the farm board thought that we could stay ove a world's parity, and in that way be benefactors to the rmers. This, however, has proven very costly, as evidenced by increasing carryovers each year, but apparently Governments are mindful of consequences until it is too late. A similar action being reported as now taking place in France, where farmers urged to put into storage about 21,000,000 bushels of wheat til the summer of 1933. They figure that such storage would move the danger of dumping the present bumper crops on the market this time, but it is just another scheme of delaying a bad uation. We are convinced that wheat could easily be selling this country for 20¢ per bushel higher now had the various vernments permitted stocks to go into consumption instead of arding or storing it away. In 1930 the United States had an tremely short crop of corn, and feed stuffs generally were arce; if we had permitted our market to decline then to values ich exist at the present time, a much larger quantity could have en fed to animals, and we would now be on the road to recovery stead of seeking competitive levels, which will further aggravate farmers' ills. Unfortunately the advice of grain merchants s not heeded. On July 1st, 1931, 254,000,000 bushels of wheat d been bought and ever since that time efforts to dispose of it ve caused much distress to the market.

average carryover between 1919 and 1929 amounted to 128,000,000 shels, which is about normal, but with 378,000,000 bushels which carried over on July 1st, 1931, from previous crops, we are nding it extremely difficult to discover effective methods of sposal.

th February wheat in Argentine this morning selling at 44¢ com-red to our May, which is roughly 12¢ per bushel higher, many ople are wondering how far we will have to go in order to bring out the readjustment. That, of course, is the difficulty and great trouble under which our market is laboring.

utine news today did not count for very much; there were about 000,000 bushels of wheat shipped from Russia, but in the main, nada still furnishes the bulk of supplies. Canadian market ich had been supported went to lower levels than where the resting ders had supposedly been placed, and shows that even Governments ve learned that the entire crop cannot be purchased at one price. think, however, that with their comparative cheapness that they ll continue to do most of the business, and this will be reflected the distribution of North American shipments as time goes on.

imary receipts of wheat continue to run heavier than a year ago, ing 1,180,000 bushels today versus 715,000 last year. No wheat s cleared today, which was also the case a year ago. So far is week stocks at Kansas City, Duluth and Minneapolis show a net crease of 403,000 bushels. Canadian country marketings were 776,000 bushels. Sanford Evans' visible supply of wheat, which cludes North America, United Kingdom, Argentine and on-passage, only 10,000,000 bushels smaller now than last year, despite the ited States visible, which itself is 46,000,000 bushels smaller.

rn and oats went to new low levels, and it was not until the action occurred in wheat that the coarse grains were able to nefit much in spite of the extremely low prices.

UHLMANN GRAIN CO.

# DAILY MARKET LETTER

MEMBERS:
AGO BOARD OF TRADE
RK PRODUCE EXCHANGE
ORK COCOA EXCHANGE
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ORK RUBBER EXCHANGE

**UHLMANN GRAIN COMPANY**
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MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

CHICAGO Oct. 7, 1932.

erpool this morning was quite weak, particularly so in view of ir comparative cheapness. Our attitude had been to advise some tion around the 50¢ level for December wheat, altho we can see good in the market until we get much nearer an export basis. n Buenos Aires February wheat close to 43¢, great adjustments l still have to come about.

ce last Friday it became apparent that on the declines in nipeg the October wheat was running into a strong class of buying, that continued in evidence at gradually reduced levels by an ncy presumably under the management of Mr. MacFarland. The export erest in the meantime appeared to be decidedly smaller and most the transactions were between the country elevators, who are ling hedges on the one hand, and brokers who are supporting the ket on the other. When one considers that it is necessary to port wheat at the lowest levels ever recorded in the history of Canadian grain exchange in order to prevent further drastic declines, it becomes obvious at once that the situation is one of alling weakness.

rybody dislikes to see markets overly depressed. The same was e in this country when the farm board supported the market at 81¢ years ago. However, we pointed out yesterday how much better would have been had the price level attained the present low ures two years ago so that the correction now could be underway.

are just as much convinced as ever that if the Canadian market is allowed to pursue its natural trend, or if economic fundamentals the law of supply and demand are combated that it simply furthers postponement of an ultimate recovery to normal conditions.

ay one of the features in our market was the back-spreading by of purchases in Chicago against sales at Winnipeg. We pre- e that these sales went mostly to brokers who had supporting ers, as export business was not reported to be very heavy. ally whatever agency or pool continues such tactics the outcome l probably be much the same as the one recently encountered in country, and which the President recently condemned, remarking t stabilization should be stricken off the Farm Marketing Act.

dstreet's clearances today were quite heavy; we presume the k of the business from North America is being handled from ada. This being the case, further sales of Manitobas will prevent h of an export business from the United States, and to that ex- t the recent weakness has not materially helped out the situation way it does in normal times. Ordinarily one could expect a ge business on sharp declines, but at the present time we are ed with unusual circumstances due to the heavy carryovers.

re were no clearances today, while last year 147,000 bushels been shipped. Primary receipts amounted to 1,140,000 bushels inst 746,000 bushels a year ago. Country marketings, while hter in Canada, are still ample, and were 3,671,000 bushels. cks at Kansas City, Duluth and Minneapolis so far this week show et increase of 875,000 bushels.

is difficult to give market advice from this present level. Our thought in looking at the picture for several months ahead is t ultimate recovery can only be brought about by reduction of cks thru export. We almost tire of giving this advice so often, it is too important a fundamental to overlook. The whole eat world position will probably not improve with age until ally North America decides to face realities and cleans up re- rdless of price; when that time comes the unwieldy surpluses of ual wheat which were accumulated during our foolish tactics from 25 will end another chapter in the history of wheat.

n was fairly steady and acts as though liquidation had been very orough.

# DAILY MARKET LETTER

MEMBERS:
AGO BOARD OF TRADE
ORK PRODUCE EXCHANGE
YORK COCOA EXCHANGE
RK COFFEE AND SUGAR EX.
ORK RUBBER EXCHANGE

**UHLMANN GRAIN COMPANY**
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MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

October 8, 1932

Liverpool was somewhat weaker this morning and to that ex-
nt discouraging, as every one had hoped that on the decline there
uld be a gradual readjustment toward normal differences between
r market and those abroad. Considerable selling was encountered
day, some of it thought to be against weekly bids; but possibly
was only resumption of the liquidation which took place during
e last two or three sessions. At one time December wheat touched
½¢, coming at about the time when a rather bearish cotton report
s issued and the slump was in sympathy with quite a break in cot-
n, also lower values for securities. 213,000 bushels of wheat
re reported sold from this market to the east, and a slightly
tter milling demand was reported on the break.

Taking the world wheat situation as a whole, there is very
ttle yet upon which to base permanent encouragement. Broomhall's
timate for import requirements has not yet been revised; but even
the assumption of his last figure of 705,000,000 bus. we can
sily see how the world outside of United States can furnish these
ounts without reducing their stocks to any great extent from those
last year. It would simply mean that based on shipments already
de, world shipments from now on would have to be 15,000,000 bush-
s each week; and Canada alone would have to ship about 7,000,000
shels weekly in order not to carry over more than the preceding
ar. If we look back at the combined shipments of Argentina and
stralia, we find that between the middle of January and extending
to March those two countries could furnish anywhere from 6 to 9
llion bushels per week; and taking further the small quantities
om sundry countries and possibly a little from Russia, everything
uld be cared for.

T here were fairly heavy clearances today, most of the wheat
ing shipped from Galveston and Philadelphia; and the total amounted
484,000 bushels compared with 291,000 last year. This, taken in
njunction with the fact that stocks at Duluth, Kansas City and
nneapolis have increased so far 988,000 bushels, will probably
an a smaller increase in the visible supply than last week. How-
er, before 1925 it was generally considered that when the visible
pply was over 100,000,000 bushels this was extremely bearish; and
th stocks now close to 188,000,000 bushels. even a smaller move-
nt from the country would not cut much into this huge stock unless
could get down to an export basis and help ourselves through the
ual channels of shipments. Primary receipts of wheat today were
108,000 bushels vs 947,000 last year. Canadian marketings were
591,000 bushels.

Canada remains quite strong compared to our market, and
eir theory probably is that they are furnishing the bulk of the
eat at the present time and might not do much more business even
their level were 5¢ lower. Of course their problem is a very
eat one because they should make every effort to ship as heavily
possible before southern hemisphere competition starts a few
nths from now.. We have been asked on several occasions how much
wer our market would have to sink before we could again be on an
port basis. It was also mentioned that with other countries go-
down almost as much as our decline, we might never get there.
is theory, however, is not correct, as Argentina is doing some
siness now in spite of the cheap prices ruling in Canada; and if
r heart were actually set on getting down to business and clean-
up we are convinced that this would be possible. It is our
ought that we have not yet fully paid the penalty for farm board
cumulations, and we have in mind that it is not unlikely that
rther severe readjustments will occur.

Corn is in a different category. This article is close to
export basis, and since 85 per cent of the cereal is used on
farm it becomes a domestic problem and we are not so much de-
ndent upon prices in foreign nations.

UHLMANN GRAIN CO.

# DAILY MARKET LETTER

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DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

October 10, 1932

Cables this morning were extremely weak and no doubt world shipments in excess of 15,000,000 bushels, being the largest for some time, had something to do with this. Total shipments since July 1st amount to 147,522,000 bushels which is 72,000,000 bushels smaller than last year.

The weather map was quite wet, many places reporting rains or traces of snow, and this is all beneficial for Fall plowing.

Trade at the beginning of the session was somewhat slow in anticipation of the government report which is expected after the close today and which will probably not be far from the estimates of private experts of last week.

Winnipeg market was closed in celebration of their Thanksgiving and spreading operations between that market and Chicago could not be carried on.

It is interesting to note that, according to Sanford Evans, from the beginning of the crop to October 7th Canadian marketings have amounted to 169,000,000 bushels compared to 73,000,000 bushels last year, or over twice as much.

Aside from the decline in prices which has put December wheat below the fifty cent level, we see no general change in the situation: The amount of wheat feeding which is reported to us, will be very small and milling demand is rather dull. At this writing May wheat in Chicago is about 54 cents while March wheat in Rotterdam is 50 cents and the March delivery in Liverpool is 55 cents. Greater readjustments are still necessary before we will be in line for the exportation of our wheat in commercial quantities. We make this statement after giving the matter a great deal of thought, the same as we have in the~~y~~ past. It is our opinion that the public is better served by strict adherence to the facts in a situation than by false optimism. Like everybody else, we would very much prefer to see higher prices being paid to the farmer for wheat; but, as the Wall Street Journal in an editorial on Saturday stated: "Prices in the United States for four seasons have been held above a world parity. This is why it is not freely selling its accumulation of surplus wheat. American wheat is still in an unliquidated position."

Statistics today showed the primary receipts of wheat 1,445,000 bushels, and clearances from Glaveston 260,000 bushels. A year ago was a holiday. The visible supply decreased 1,196,000 bushels, while last year it decreased 3,434,000 bushels. The total is still 186,325,000 bushels, or a very sturdy amount. Stocks for two days at Minneapolis increased 340,000 bushels. The visible supply in Canada is now over 188,000,000 bushels, while last year at this time it was 126,000,000 bushels.

We believe that as time goes on the carrying charge between December and May wheat will widen from the present five cent level, and with the large surplus probably carried over at the end of the season, we look for further widening also between May and July wheat.

Corn has become a speculative favorite. This cereal held quite well considering the weakness in wheat and it is generally felt that with the poor prices obtainable on the farm, the country will not continue to offer as heavily.

UHLMANN GRAIN CO.

# DAILY MARKET LETTER

MEMBERS:
AGO BOARD OF TRADE
ORK PRODUCE EXCHANGE
ORK COCOA EXCHANGE
K COFFEE AND SUGAR EX.
ORK RUBBER EXCHANGE

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 6202
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

CHICAGO Oct. 11, 1932.

rpool was very weak this morning before our session opened, but the display of firmness in Canada following the holiday yester- here was a rally in the foreign markets, and this had a tendency to create a little better feeling in Chicago. It has been felt everal quarters that after a six cent break from the high of last some reaction might come about, and we, ourselves, had advised on on this break, suggesting at least partial covering of lines. There is nothing in the general situation to make us ish, but when December wheat goes below the 50¢ level one must rally assume a more conservative attitude.

view the relationship between Chicago and other markets, we not yet readjusted sufficiently to rid us of our heavy surpluses have been acquired during the past four years, mostly thru rnment intervention. To show more concretely how this is hurting w, we have merely to look at Broomhall's division of North can wheat and flour shipments of October 8th. This shows that was approximately 9,708,000 bushels shipped from Canada, while nited States furnished only 698,000 bushels; and this, in our on, is an extremely poor showing.

ve recommended right along wheat purchases in Winnipeg against in Chicago, feeling that with the discount of the Canadian ar, and the fact that Canada was doing a large business right , it would finally improve that market as compared to ours. arily the Canadian wheat is worth anywhere from 5 to 8¢ per l premium in competing markets, which also makes it quite at- ive on that account. For quitea while this spread did not due possibly to the extremely heavy marketings, but these are now to somewhat smaller proportions, and for Saturday they were ,000 bushels. It has been noticeable that on the decline domestic ipts have fallen off, which is quite natural, and as result of this illing demand has improved a little and higher premiums have been

lieve the new speculative buying that comes into the market will stly in May wheat, and this will have the tendency to widen the rence between December and May.

pen interest in the nearby delivery has been going down some, but ut any concentrated holdings, as far as we can judge, the dif- ce might easily widen out to 6 or 7¢ per bushel.

mputing yesterday's visible supply an error has been made in lo, and the actual figure was only 196,000 bushels decrease, is one million less than reported. This is more in line with orecast which we made on Saturday. The way stocks so far at apolis, Kansas City and Duluth have already increased 810,000 ls, it is not likely that next Monday will show much of a ease, if any. Primary receipts of wheat today were 1,175,000 ls compared to 1,934,000 last year. There was no wheat cleared of any kind, while a year ago 216,000 bushels were shipped.

ng from the action of the foreign markets, they must have had severe liquidation lately, and in spite of their repeated de- s there has been an improvement of about 2 1/2¢ per bushel the first of the month in the relationship between Chicago ber wheat and the same future at Liverpool, and at this writing oreign market is about six cents premium over us. Ultimately it not be at all surprising to see March wheat abrod go to the same erential over Chicago May wheat. This spread which we have re- ended in the past is still looked upon with favor.

did not enjoy quite as broad a trade as recently; the price held firm, but cash handlers were of the opinion that on much of an ce the country would again turn a heavy seller, and this kept cereal within a rather narrow limit.

UHLMANN GRAIN CO.

# DAILY MARKET LETTER

MEMBERS:
AGO BOARD OF TRADE
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UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 6282
141 W. JACKSON BLVD.
CHICAGO

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

October 13, 1932.

Liverpool was weak this morning and closed at about the est figures. During the holiday here yesterday supporting ers were again in evidence at Winnipeg, and this was true today o.

As long as March wheat abroad is at the same price as cago May wheat the situation cannot be called healthy, altho pared to nearby deliveries, both Rotterdam and Liverpool have roved possibly 2 or 3¢ per bushel in the last few weeks. entine shipments are small this week-- less than 500,000 bushels, the bulk of the wheat is still coming from Canada, with the ted States shipping practically nothing except an occasional go to Greece, which is workable thru preferential tariff arrangets. Black Sea shipments were 688,000 bushels compared to 76,000 last year, and it is not expected that much will come m that source during the remainder of the crop season.

Weather in the Argentine is slightly more favorable, rains ing been reported in several districts; and each day brings us ser to the southern hemisphere harvest. This, in our opinion, l tend to keep Canada always on the alert preparing to export tever is possible before the first of the year.

Bradstreet's visible supply this week showed another very ge increase amounting to 21,947,000 bushels while a year ago dur- the same week it only increased 1,338,000 bushels; the total is greater than last year by 2,000,000 bushels, which is the first e this has occurred this season, and amounts to 435,000,000 hels.

For months back we have expressed the view that the hoard- of wheat, which was temporarily beneficial, would finally lead a disaster in wheat prices, and we make mention of this now bese this is actually taking place. Nothing much is heard these s of the Red Cross distribution of wheat, but it is generally ased that 50,000,000 bushels still remain, and as this is gradually tributed it will displace what would ordinarily be disposed of by trade. The farm board is supposedly still holding about 63,000 bushels of futures, and just what the final disposition l be no one knows, but it is expected that the holdings will be tly in the May delivery and will not be liquidated until somee next year. It becomes increasingly clear that not until the stocks of wheat accumulated during 1930-31 are disposed of can hope for even moderate prices in wheat. The cure will come ut thru under-production, at least for a time until matters are usted to normal. The difficulty is that on account of high iffs in Europe, and comparatively fair prices, there is no inement yet to curtail acreages.

Both Argentine and Australia have planted more wheat than t season, and part of the cure can come now if a drastic reduc- n in winter wheat acreage takes place.

Primary receipts of wheat today were 1,397,000 bushels sus 944,000 last year. So far this week stocks at Kansas City, uth and Minneapolis show a net increase of 1,107,000 bushels, eshadowing a probable increase in the visible supply on Monday. wheat was cleared today, while a year ago 240,000 bushels were pped. Canadian country marketings were practically 3,000,000 hels and were also that figure yesterday during our holiday.

Corn was under the influence of heavier offerings from country, and with the new lows established in wheat prices ay, it had a disturbing effect on the speculative trade.

UHLMANN GRAIN CO.

# DAILY MARKET LETTER

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MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

CHICAGO October 14, 1932.

Liverpool was a shade lower before our market opened, nd prices registered the lowest quotations on the crop, with arch wheat just about the same price as that of Chicago May.

Weather in Australia remains very favorable, and Broom-all's agent estimates the crop at 200,000,000 bushels, which is lightly more than last year. There have been some rains in Argen-ina the last few days, which are claimed beneficial; so all in all ne southern hemisphere is making normal progress.

According to Sanford Evans' figures on the world's isible supply of wheat, we find there are 9,000,000 bushels more n those positions than a year ago, despite the fact that the isible supply in United States is 42,000,000 bushels less. anada is the large offset, having 60,000,000 bushels more than : 1931, Argentina is about the same, on-passage is little changed, ut the United Kingdom stocks are 16,000,000 bushels smaller. rom the above it will be seen that the situation is much like a ear ago, with heavy stocks all over, good crops in Europe, and ountries like Germany and France buying very sparingly. In the atter country the government is encouraging a holding tendency, hich makes domestic prices there quite high, but this does not ffect the rest of the world in any way.

The chief factor today was the buying by several ommission houses, presumably in sympathy with higher values for otton and stocks. The securities market showed great strength, hich was quite a reversal of form after yesterday's weakness, nd this inspired more confidence, particularly as December wheat as very close to the lowest price of the season which had been stablished yesterday. When this buying came into the pit there ere sympathetic advances in both Liverpool and Winnipeg, but ne latter two markets lagged in comparison,and before the close innipeg lost its entire advance . We, ourselves, had little aith in the maintainence of values, as the export outlook for nited States wheat remained just as poor as ever. With that in ind, we could not become enthusiastic on the advance to 50¢ for ecember wheat, realizing that eastern buying alone might influence entiment, but would not lessen the load.

There were no clearances again today, and this will inally tell the tale; for the same day last year only 48,000 ushels were shipped. Primary receipts of wheat today were much ne same as last year- 976,000 bushels versus 927,000 at that ime. So far this week stocks at Kansas City, Duluth and inneapolis show an increase of 1,182,000 bushels. Country market-ngs in Canada show a slight falling-off and for yesterday amounted o 2,854,000 bushels.

Corn advanced fractionally, but receivers were busy n the pit selling hedges against country purchases, and it was hought that 135,000 bushels had been bought to arrive. To off-et this, charters for about 51[illegible],000 bushels to Buffalo and eorgian Bay were made. Weather over the belt remains favorable or field work.

UHLMANN GRAIN CO.

# DAILY MARKET LETTER

MEMBERS:
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CHICAGO

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

Sat, October 15, 1932.

Liverpool was indifferent this morning- some futures
shade higher while others were lower. However, rains in Rumania,
ere it had been very dry, checked apprehension from that source.
our own southwest there had been some pretty heavy rains over-
ght, and this was fine for fall sowing.

Broomhall comments this morning on the small amount
business which was passing now, and even in England, where pre-
erential tariffs are anticipated, millers are not putting in
ocks preparatory to such a movement. Our own attitude is that
e Canadian policy is largely responsible for the apathy on part
European buyers. Since about September 30th an agency, pre-
mably sponsored by the Canadian Government, has been supporting
e Winnipeg market in a substantial way. Those who have been fol-
wing the transactions, think that as much as 15,000,000 bushels
futures were purchased to bring about relative firmness in
nada compared with other world's markets. The motive behind
is deal was probably actuated by the fact that Winnipeg being
ready so much cheaper than other markets, those in control pro-
bly thought that they might continue doing the business if their
lues were forced closer to markets like Chicago or Buenos Aires.
is has been partially true.

It is also a fact that lower prices have not de-
eased hedging pressure to any great extent. We find that during
e month of September there was a large export business put thru,
d practically every day the business reported was quite large.

Since this artificiality developed and support
ven to Winnipeg, the export purchases were on a reduced scale,
d the reasonable supposition is that when foreign buyers learned
at support was necessary, even at the lowest prices of the sea-
n, they immediately became aware of the inherent weakness of the
tuation; consequently, they are now providing only for im-
diate needs.

We expect on Monday that world's shipments will be
ite large, and it might be interesting to note that since
ly 1st, North America has shipped 79,000,000 bushels, or the
me as last year; this compares with 123,000,000 bushels shipped
o years ago. Canada in doing this larger proportion of the busi-
ss, does so at our expense, and for that reason domestic markets
e bearing the brunt of the burden at this time.

It took but very little selling today to drive the
ices to new low levels on the crop, despite comparative firmness
stocks, cotton, etc., which in the past have been influences
helping determine the price level. During the past week lows
re established in Liverpool and Winnipeg as well, and while it
discouraging to think of still lower prices, we are convinced
at readjustments are necessary before we can become an export
ctor, and therefore, put ourselves on a sound basis.

Primary receipts today were 970,000 bushels versus
038,000 bushels last year. No wheat was cleared again, making
e fourth consecutive day of quiet, while a year ago 137,000
shels were shipped. Stocks at Kansas City, Duluth and
nneapolis so far this week show a net increase of 1,084,000
shels. Canadian marketings were 3,221,000 bushels.

Corn was influenced somewhat by the weakness in wheat,
t the fact that export business had been reported and confirmed,
ought about a slightly better feeling. Everyone is waiting now
see how large a volume of foreign business will develop.

UHLMANN GRAIN CO.

# DAILY MARKET LETTER

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MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

CHICAGO October 17, 1932.

World shipments this morning did not keep up with last
ek's volume, and were reported at 11,593,000 bushels, while a
ar ago 17,000,000 bushels were shipped. North America, however,
eared 7,303,000 bushels, or nearly one million bushels more than
st year.

Liverpool was not so much influenced by this news as by
e strength in the Canadian dollar, and the discount under the
erican gold dollar was quoted at 6 1/2%, while in recent weeks
was about 10% discount. This item made Canadian wheat more
pensive, and for that reason influenced early quotations at Liver-
or, which were higher, although on selling orders that market
sed off.

In Winnipeg it was quite apparent that at 50¢ for December
eat operations continued of a stabilizing character. In Germany
ere were reports that rye was being fed to livestock, and in this
nner the Governments were trying to combat the low prices of
reals. In France, as we mentioned before, a certain portion of
e wheat is being put away for storage hoping to help the farmer
tain a better price temporarily. As Mr. Bodenheimer, of Paris,
mments on all these governmental influences, "When the floods
merchandise dwell on the market, they are just the same as the
oods of a stream coming from a hill, and if we try to stem them
are generally over-flooded ".

The fact remains that in Canada since August 1st, country
rketings have been close to 190,000,000 bushels up to the present
me, which is over double those of last year. It is also true
at since the Canadian market has become more or less stationary,
e improvement of the Canadian dollar and the decline in Chicago
s put the United States wheat more or less in line for export;
d gulf varieties were much nearer an export basis today than at
y time on the crop. Of course, it would take good billing to
tract wheat from the interior to the seaboard, but we are con-
nced that if the Canadian folly of support is kept up that before
ry long United States will be doing some business. This, in our
inion, is not necessarily bullish, as we have lots to spare, but
mention it as being constructive, as heretofore we had consistent-
been anywhere from 4 to 10% out of line on export business.

Primary receipts of wheat today were 1,154,000 bushels
mpared with 1,802,000 last year. No wheat was cleared again today,
ile a year ago 599,000 bushels were shipped. Canadian marketings
ep up quite well, and for Saturday amounted to 2,839,000 bushels.
far stocks at Minneapolis have increased 135,000 bushels, which
cludes two days. The visible supply of wheat in decreasing
0,000 bushels still shows a total of 186,915,000 bushels, or
,000,000 bushels less than a year ago. It must be remembered,
wever, that Toledo is no longer figured in the visible stocks.

There was considerable unspreading during the last few
ssions; traders who were long Winnipeg and short Chicago have
en getting out moderately, fearing that possibly the support in
nada would not be there at all times. Even governments sometimes
re of spending money for such stabilization. In our own market
think we can see traces of the farm board converting their hold-
gs from December into May, and such switching is carried on quiet-
. The precedent was first set by the Canadian pool, which sold
t its October holdings at Winnipeg in return for May. We believe
at even governments have learned that it is better to hold
tures instead of accepting delivery as an alternative to paying
orage charges while awaiting higher prices.

Corn was weak early, but there appears to be some export
siness and this is at least having a steadying influence.

UHLMANN GRAIN CO.

# DAILY MARKET LETTER

MEMBERS:
AGO BOARD OF TRADE
ORK PRODUCE EXCHANGE
ORK COCOA EXCHANGE
K COFFEE AND SUGAR EX.
ORK RUBBER EXCHANGE

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 6282
141 W. JACKSON BLVD.
CHICAGO

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

October 18, 1932.

When traders came to their offices this morning they ound the weather map quite wet for most sections, except Kansas d Oklahoma. Johnson predicted that rains would occur in western ctions during the next forty-eight hours, and if these come about ey will greatly relieve apprehension in those places.

Liverpool came about as expected, and therefore, no rticular change, altho that market was actually weak considering at the pound sterling declined to practically $3.40. On that sis the Liverpool market is not as much of a premium over Chicago if sterling had remained around the $3.50 level. We would point t, for instance, that 10 points on the present exchange amounts as much as 1 5/8¢ per bushel; so it can easily be seen that if erling should get weaker from the present level, the actual price road would have to go correspondingly up to keep the present dif- rential the same. Furthermore, it is thought that when the glish Parliament meets tomorrow that they will probably ratify e preferential tariff which had been arranged at the Ottawa Con- rence. Should that come about, there will no doubt be a new and old contract, and probably the present existing contract now aded in Liverpool, which would be the old contract, might be less luable to the buyer, because as such he would be responsible to e seller for the amount of duty in the event that dutiable wheat s tendered. In our opinion, however, this will not have much fect market-wise, as Canadian and Australian wheats will probably rm the biggest share of shipments into England. It is true, at England takes about 40% of all the wheat imported into Europe, d will probably take 245,000,000 bushels this year. Since ese amounts can easily be gotten fromEnglish countries, it is t likely that such a change will upset world's conditions.

Late yesterday Canadian exchange had become very strong d sold at 6 1/4% discount under the American gold dollar. This rning, however, weakness, possibly in sympathy with the English change, has put the Canadian dollar to 8% discount again under erican, and for that reason there is little likelihood of our ming much into line for export business as far as United States ades are concerned.

Broomhall calls attention to the fact that scarcely y U. S. wheat has been exported so far, except some occasional car- es to Greece, and these, of course, were only workable thru pre rential tariffs. It is unthinkable that at this late season of e year we can export very heavily; it would take much higher pre- ums to attract wheat from the interior to the seaboard, and in st another few months the southern hemisphere will come in for its are of business. Some of this is already being contracted for w, and we understand that sales were made involving shipments r February and March delivery.

Primary receipts today were 936,000 bushels compared th 1,135,000 last year. Canadian marketings were somewhat smaller t still ample, and for yesterday amounted to 2,370,600 bushels. eat clearances, probably all for Greece, were 336,000 bushels all om Galveston, while on the same day a year ago 324,000 bushels re cleared. So far this week Kansas City, Duluth and Minneapolis ocks show a net increase of 370,000 bushels. We believe that thout export trade the visible supply stocks will diminish very owly; consequently, we see very little good in bulling the market less new factors come into play. Bradstreet's visible supply is week increased 10,994,000 bushels, and the total is now 6,000,000 bushels against 440,000,000 a year ago.

As far as export business in corn is concerned, little s heard today, and that market ruled dull most of the time, with e net changes very small.

UHLMANN GRAIN CO.

# DAILY MARKET LETTER

MEMBERS:
CAGO BOARD OF TRADE
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YORK RUBBER EXCHANGE

UHLMANN GRAIN COMPANY
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MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

CHICAGO October 19, 1932.

Liverpool wheat cables this morning were higher, being
ffset somewhat by a 3 to 4 point decline in sterling exchange.
raders paid more attention to the firmness in the stock market
han to news from abroad, and during most of the session fluctua-
ions were within a rather narrow range.

In looking over commodity prices we find that wheat is
ot the only one in the category to be around the lowest price of
he season. Hogs, for instance, which were lower again today,
ave lost about $1.50 compared with the high point which was reach-
d fourteen weeks ago, and at present they are only 25 to 35¢ above
he 36-year low. Cotton, which reached the 10¢ level some weeks
go, has also reacted and at the present time is perhaps 100 points
bove the season's lowest figure.

We believe that as far as wheat is concerned, the
eavy accumulations still form the greatest barrier in the re-
overy of prices. Had we not missed our opportunity during July,
ugust and September, which ordinarily are the best three months
or exportation of wheat, it might be a different situation at the
resent time. Taking the Broomhall figures, he shows that since
uly 1st the United States has cleared 12,245,000 bushels of wheat
nd flour compared with 46,807,000 last year. At the same time
anada shipped during that period 80,030,000 bushels, while a year
go shipments amounted to 51,006,000 bushels. The total from
orth America is about 5,000,000 bushels less than in 1931, and
anada has been doing most of the business at our expense.

A little over a year ago England went off the gold
asis and sterling broke from $4.86; since then there has been a
artial readjustment of prices in England compared with the rest
f the world. These are sometimes slow in coming about, and for
he very reason that the English people are still using sterling
xchange and having that as their currency the present price of
heat there appears high, altho when converted into American money
e regard wheat selling in Liverpool around the 50¢ level as quite
heap. The fact of the matter is that falling currencies abroad
re a handicap in doing international business, and possibly account
omewhat for the low commodity levels of the present time.

As long as futures at Winnipeg are supported or stabil-
zed that market will not go up very much, and without help from
oreign sources there is a limit to what speculation can do for
omestic prices.

We appreciate that the present level is low, but we
nticipate that there will still have to be readjustments as com-
ared with competitive markets before wheat will be on an invest-
ent basis.

Primary receipts of wheat are running much the same as
ast year, 1,043,000 bushels today versus 1,233,000 last year.
heat clearances amounted to 37,000 bushels while a year ago we
hipped 389,000 bushels. So far this week stocks at Kansas City,
uluth and Minneapolis increased 458,000 bushels. Canadian market-
ngs are falling off and today amounted to 2,078,000 bushels.

Corn is also low, and prices paid to the farmer are
ery disappointing. The salvation will be brought about thru large
eeding operations, but that always takes time to be reflected in
he price.

UHLMANN GRAIN CO.

# DAILY MARKET LETTER

MEMBERS:
AGO BOARD OF TRADE
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YORK COCOA EXCHANGE
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UHLMANN GRAIN COMPANY
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CHICAGO

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

October 20, 1932.

Liverpool was weak this morning. It was thought that
lling orders from this side were partly responsible, but rains
parts of Argentina contributed to the bearish feeling.

The trade had been pacified because Henry Ford in his
dio speech last night made no comment whatsoever on the pro-
sed shipment of 75,000,000 bushels of wheat to China. One of
s men in Detroit had branded this rumor as preposterous; but
vertheless it was a market factor yesterday. The very wording
the message had seemed so incredible to us that any automobile
gnet should pay 20 to 25¢ per bushel more to the farmer than he
s getting now, then shipping the wheat to the seaboard and ex-
nding seven years credit to China, that we refused to permit the
atement to go over our wires.

In the early dealings this morning there was a reaction
om yesterday's buying orders, but during most of the day trade
s of rather small proportions.

There has been a slight widening between December and
y wheat, and we believe that the hedgers on one hand have been
tting their position into the more distant month, and possibly
e farm board is gradually changing over some of its long December
ntracts to May.

Since so much has been heard lately about possible
edits to China, either by our own government or by Henry Ford,
think that possibly an article radioed to the Chicago Daily
ws yesterday might prove of interest. In a meeting in the office
the Social Bureau at Shanghai, of Chinese rice merchants, they
opted a resolution requesting the Nanking government to drop
s negotiations with the United States in connection with the
oposed importation of American wheat. There is an abundant rice
rvest this year, and when the farmers learned that the Chinese
nance minister was negotiating for wheat imports, a number of
em requested the government to drop the proposal, declaring
at the rice crop was sufficient for China's needs.

The southern hemisphere is making good progress now,
d it is thought that the Australian crop will be about 30,000,000
shels larger than last year.

In our country weather is still dry in many places of
e southwest, and in order to get anything like an average crop
ch rain, particularly in the western districts must still come,
those sections have been extremely dry up to the present time.

Primary receipts today were rather light, being
5,000 bushels compared with 1,245,000 a year ago. No wheat was
eared today at all, while last year 247,000 bushels were shipped.
nadian marketings are falling off, and for the first time were
ightly under the two million bushel mark. So far this week
ocks at Kansas City, Duluth and Minneapolis show a net increase
286,000 bushels. Carlot receipts in the northwest are light,
d we presume that on Monday there will be a fair-sized decrease
the visible supply, altho this is the season of the year when
at can be expected. Canadian wheat stocks as of October 14th
e 212,000,000 bushels against 142,000,000 in 1931.

Corn made a new low quotation today. Trade was very
ght and some talk is heard of being close to an export business;
so gossip that with the extreme cheapness corn in the isolated
calities may be used for fuel. This prevents rapid declines,
t there is inactive speculation which also prevents sharp upturns.

UHLMANN GRAIN CO.

# DAILY MARKET LETTER

MEMBERS:
AGO BOARD OF TRADE
ORK PRODUCE EXCHANGE
ORK COCOA EXCHANGE
K COFFEE AND SUGAR EX.
ORK RUBBER EXCHANGE

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 6262
141 W. JACKSON BLVD.
CHICAGO

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

October 21, 1932.

In one of the dullest trading sessions that we have in months wheat opened somewhat lower in sympathy with weakness oad. An eastern authority reported a good export trade, which presume was all in Manitoba wheats judging from the quiet char- er of the futures market in Chicago. We, ourselves, doubt ther Canada is selling at the rate of 1,000,000 bushels per day, h is necessary now unless she wishes to again add to the large ryover on August 1st of next year. In any event, Gulf wheat is ll 3 to 4¢ out of line for export, and as we have remarked pre- usly, once wheat has left the farm and settled at interior points requires a higher gulf premium to bring it back to the seaboard.

There had been a chance of some rain in the southwest, little developed, except a few showers in the Panhandle. Many tern sections remain exceedingly dry in a great many places and s does not start the crop off under favorable conditions. On other hand, there are many parts of Nebraska and Kansas that still seed until late in November, and if rains occur between and that time a great amount of good will still be accomplished.

In the meantime stocks everywhere seem ample. Searle in Co. of Winnipeg, has reduced its estimate for the Prairie Pro- ces to the figure of 419,000,000 bushels. One of the local horities concedes that his estimate may have been too high and uced it to 430,000,000 bushels. In any case, it looks like ctically 450,000,000 bushels for all of Canada, which is large much more than last year.

According to some figures compiled by Sanford Evans, Winnipeg, the world's wheat production, exclusive of Russia, using official estimates, shows up as follows:

| | | | | | | |
|---|---|---|---|---|---|---|
| uropean countries | 70,000,000 | bus. | more | than | last | year, |
| orth American " | 42,000,000 | " | less | " | " | " |
| sia | 10,000,000 | " | " | " | " | " |
| frica | 7,000,000 | " | more | " | " | " |

he grand total of 37 countries is about 25,000,000 bushels arger than last year.

Now as to the southern hemisphere; reports from tralia are very good, and the official figure just published icates a crop of 202,400,000 bushels. Last year's final estimate revised now to 190,000,000 bushels. As far as Argentine is con- ned, with the exception of one province, everything is quite pro- ing, and the early talk of locust damage, etc., is being very tle considered.

Markets are in a state now of extreme quiet; support- influences are still at work in Winnipeg, which limits declines Chicago. On the other hand, every day that passes is one wasted not reducing our stocks through export. Under the circumstances ess some new incentive comes in, which is not in the picture now, see very little to boost the price.

Primary receipts today were 869,000 bushels against 22,000 last year. 32,000 bushels of wheat were cleared, while a r ago 168,000 bushels were shipped. So far this week stocks at sas City, Duluth and Minneapolis show a net increase of 324,000 hels. Canadian marketings were 2,281,000 bushels.

Corn did not enjoy a broad trade today. Many localities dict that the yellow cereal will be used in place of fuel. Some ort business is reported, and despite the low price of hogs feed- is going on at a very tremendous rate.

UHLMANN GRAIN CO.

# DAILY MARKET LETTER

MEMBERS:
CAGO BOARD OF TRADE
YORK PRODUCE EXCHANGE
YORK COCOA EXCHANGE
RK COFFEE AND SUGAR EX.
YORK RUBBER EXCHANGE

**UHLMANN GRAIN COMPANY**
TELEPHONE HARRISON 6282
141 W. JACKSON BLVD.
CHICAGO

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

Sat
October 22, 1932

Liverpool came about as expected and therefore offered no surprise. There had been showers and rains in a good many sections of the Southwest which were forecast by our Mr. Johnson although not in the official prediction. As the session progressed, rains were reported rather widespread and at some places being as heavy as an inch and a half. This should be of most benefit to the western sections of Kansas and Nebraska where dry weather has prevailed for several months. Our market responded only moderately to the news, but it was hardly to be expected that from the 48 cent level sharp breaks would take place, particularly with Winnipeg still being supported.

The official exports of wheat and flour for September were recorded today and showed 4,153,000 bushels shipped while a year ago 11,588,000 bushels cleared; and the total since July 1st, comprising our three best export months, amounts to 14,692,000 bushels while a year ago, with farm board tactics, we had already shipped 40,621,000 bushels. We believe on Monday that world shipments will be light because outside of North America only 3,000,000 bushels have cleared from other countries. We still think that Broomhall sooner or later will have to revise his import requirements, judging from the amounts that have been taken so far, and also from the general demand. Between 1926 and 1931 it is true that world shipments averaged 780,000,000 bushels of which North America furnished 440,000,000 bushels, or 56 per cent. During the period of 1920 to 1922 world shipments were only 630,000,000 bushels and during the war 475,000,000 bushels; and the period of six years prior to the war, they amounted to 650,000,000 bushels on the average. Thus it can be easily seen that with large crops abroad, even with Russia not important as an exporter, the revision this year might be considerably downward.

Primary receipts of wheat today were only 768,000 bushels compared with 1,760,000 bushels last year. Kansas-City, Duluth and Minneapolis show a net increase of only 47,000 bushels due to a lowering of stocks at Kansas City. There was not any wheat cleared today and very little a year ago when 8,000 bushels were shipped. Canadian marketings are somewhat larger and amount to 2,601,000 bushels.

Corn was in a rut most of the session. Even with a moderate export business at times, there are ample offerings from the country and nothing in the immediate future to suggest much higher prices. However, we believe that the opportunity for an advance is certainly much better at this level than for a decline.

UHLMANN GRAIN CO.

# DAILY MARKET LETTER

MEMBERS:
GO BOARD OF TRADE
RK PRODUCE EXCHANGE
ORK COCOA EXCHANGE
K COFFEE AND SUGAR EX.
RK RUBBER EXCHANGE

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

CHICAGO October 24, 1932.

Liverpool was actually weak this morning; while some their quotations were unchanged to a shade higher there had been ix point break in sterling over the week-end, which really made ir futures one cent lower.

Many of the dry sections of the southwest have been atly relieved now by recent moisture, and during the session we erstood that northwest Kansas and southwest Nebraska had been ored in parts. In fact, from what we can learn, since last day rain has been quite general over Nebraska, and many of the ritories that had been so dry seem to have been considerably improved.

Today's market was featured largely by undoing of eads between here and Winnipeg, also between Chicago and Liver-l. The weakness in English exchange was beneficial to spreaders re sterling commitments had not hedged the actual transaction.

From the viewpoint of price, there has been insufficient rovement so far to make regular business possible from here a-ad, altho this will change should our market continue to go n and Winnipeg be artificially supported.

World shipments today were 12,819,000 bushels, or about 00,000 bushels smaller than a year ago at this time. Even ada, in our opinion, is not doing enough business to help her-f out, because with the smaller demand from abroad, occasioned good European crops, we think that later on southern hemisphere petition will be very severe. Progress in Argentina has been e again by additional rain.

The visible supply of wheat today decreased 768,000 hels and shows a total now of 186,147,000 bushels; this is al-t 39,000,000 bushels less than last year, altho at that time edo was still in the reckoning, but it shows that we are grad-ly catching up in view of the light export clearances. Today veston shipped 244,000 bushels, which is probably another car-to Greece, and New York shipped 96,000 bushels, while last year ,000 bushels were cleared. Today's primary receipts were 88,000 bushels while in 1931 they were over double, or 2,352,000 hels. Canadian marketings are running quite heavy considering price, amounting on Saturday to 2,219,000 bushels.

Wheat futures sold at a new low on the crop today, and market is suffering from accumulations which date several years k. It is hoped that the Government in removing certain re-ictions will finally help speculative trade, but we know that forces of destruction are stronger than those of construction, it will take time to heal over the damage already done, but ally we think that this step is one in the right direction.

Corn in selling at 25¢ per bushel for December also e a new low. There continues to be some export business, but h the weight of supplies it may take time to bring about better ces for the farmer.

UHLMANN GRAIN CO.

# DAILY MARKET LETTER

MEMBERS:
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WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

CHICAGO October 25, 1932.

For months past we have predicted that wheat would sell
very low prices, and that in itself was sad. The reality, how-
er, is much worse. It should hardly surprise anyone who has been
ading our market letters, altho the present level of prices al-
t constitutes a disaster to the farmer.

We go back in history a little and find that in 1930 the
ted States had an extremely short crop of corn, and feed stuffs
erally were light. Had the prices then been permitted to de-
ne to the levels which exist now a large quantity could have been
to animals, and we would certainly be on our way to recovery
. The advices which the grain man gave unfortunately were not
eded, and the farm board went ahead and purchased about 254,000,000
shels of wheat. Ever since that time they have been trying to dis-
e of it, but the best opportunity was lost, and it was up-hill
k for them to do so. It was estimated that on July 1st, 1932,
United States carried over 378,000,000 bushels of wheat; this
pares with an average of about 128,000,000 bushels during the
years prior to 1929. It must be very clear now that it is this
ess in stocks of about 250,000,000 bushels which is most im-
tant in depressing prices, and will continue to do so until
ally absorbed.

As a matter of fact, over-production of wheat in the world
no longer with us. Last year's crop was about equal to the world
sumption, and we doubt whether this year there will be raised
e than will be needed.

Last week's exports of wheat and flour from North America,
ording to Broomhall, discloses that the United States shipped
y 915,000 bushels while Canada shipped approximately 8,708,000
shels.

One would imagine that a calamity like this, and the
m board experience, would prey more heavily on the mind of the
ncy in Canada that has accumulated about 100,000,000 bushels of
ures in an attempt to help the farmer. In that market, support
apparently withdrawn at the 50¢ level for Winnipeg December
at, and forthwith values broke 2 1/2¢, to the lowest level on the
p. We presume that it is the intention now of those in control
Winnipeg to keep that market cheaper than ours, but probably to
nd more government funds, so that the shock of low prices may
cushioned.

Regular news today did not account for much. Further
kness in sterling brought first prices from Liverpool somewhat
her, but selling from this side, however, was apparently too
h for them.

There were some more rains in the southwest, and this
ether with previous moisture has greatly improved this outlook.

Primary receipts were a little larger today, 1,041,000
hels, although a year ago they amounted to 1,476,000 bushels.
mostly to an increase in Duluth stocks, that market with Kansas
y and Minneapolis shows a total net increase of 448,000 bushels.
wheat was cleared today while a year ago 392,000 bushels were
pped. Canadian marketings were about the same- 2,302,000 bushels

Corn and other cereals could not withstand the heavy
essure of a collapse in wheat prices to the lowest level of the
son.

Opinions for the immediate future are difficult to fore-
t.

UHLMANN GRAIN CO.

# DAILY MARKET LETTER

MEMBERS:
AGO BOARD OF TRADE
ORK PRODUCE EXCHANGE
YORK COCOA EXCHANGE
RK COFFEE AND SUGAR EX.
ORK RUBBER EXCHANGE

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

CHICAGO October 26, 1932.

Liverpool, if anything, was weaker than expected. as rling was quoted somewhat higher when our session opened.

Markets have lacked confidence since the drastic de- ne started, and when Winnipeg broke through the level at which port had supposedly been placed, it created further uneasiness e. Messages from Winnipeg indicated that there might not be porting orders in the future; and if this is the case, we think is a constructive effort to get markets back to normal.

There has been a great deal of unspreading lately by of sales in Winnipeg against purchases here, as people general- were fearful of markets where buying orders became necessary on t of governmental agencies.

We believe the time has come here when most of our dictions for low values have found fulfillment. We also think t at 45¢ the price suggests conservatism, and this is further firmed by a cable that we received from our Senior today, who is England. In his view, the price level is now on debatable und. During all this period we have not been able to satisy rybody and frequently were criticized for not having assumed t we regarded as false optimism. However, upon recognizing t the law of supply and demand would ultimately create a stronger ce than speculative buying we found it necessary to present facts world's over-production. We find that as the lowest levels of the son were reached today, offerings from the country were consid- bly lighter, and while there has not yet been a complete cor- tion between our markets and competitors' we prefer temporarily view the price level from the side lines. We say this with full wledge that further weakness might easily occur if foreign mar- s decline, and see nothing in the situation to give us a material st even from the 45¢ level. But to those who have been short we nk it is possibly time to become cautious. It is to be hoped t with this demoralizing condition and the suffering which has n brought to certain farming localities that smaller rather than reased acreages will result. We hope also that we will try to ther export sales so that our carryover next year might be smaller n the one from last year's crop.

Since August 1st world shipments to European countries e been 59,000,000 bushels smaller than in 1931, while ex-European ions have taken 13,000,000 bushels less. Possibly low prices h governments interfering less might promote greater confidence ngst foreigners to lay in larger supplies.

Primary receipts of wheat today were light again, and this price country offerings are small. They amounted today to ,000 bushels compared to 1,618,000 last year. So far this week cks at Kansas City, Duluth and Minneapolis show a net increase 664,000 bushels. No wheat was cleared today, while a year ago shipped 306,000 bushels on corresponding day. Canadian marketings unted to 2,231,000 bushels.

Corn, oats and rye have been influenced in recent ses- ns by the extreme weakness of the leading cereal, but corn has one antage-- the price is so low already that the farmer might accept alternative of feeding instead of shipping to market.

UHLMANN GRAIN CO.

# DAILY MARKET LETTER

MEMBERS:
AGO BOARD OF TRADE
ORK PRODUCE EXCHANGE
YORK COCOA EXCHANGE
RK COFFEE AND SUGAR EX.
ORK RUBBER EXCHANGE

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 6262
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

CHICAGO October 27, 1932.

Liverpool was somewhat higher after yesterday's sharp ak, altho the fractional advances were not very much considering t sterling was about two points lower. In any event our market the appearance yesterday of having been fairly well liquidated the time being at least, and the moment strength developed in side markets, like Minneapolis and Kansas City, short covering anced our prices without large quantities changing hands.

We remarked yesterday that in the Southwest the pre- t low level had made country offerings extremely light, and this turn influenced premiums, and we presume the same occurred in northwest.

Winnipeg was also quite firm, and reports from that ket indicated that possibly as much as 1,500,000 bushels of at had been sold abroad. The fact that the Canadian market is free from government intervention, insofar as traders know, ates a better feeling there. When their May wheat was at even ey with the price of Chicago May wheat spreading operations e encouraged, particularly as Canadian exchange is at 9 1/2% count under the American dollar. In reality if this discount tinues to prevail, one has wheat bought in Winnipeg at four to e cents cheaper than in Chicago. Before the season ends we nk it will go to a premium.

World shipments on Monday will not be very large, the countries outside of North America are only putting small unts afloat. Of course, after the turn of the year Argentina Australia will come into the picture again, but in the mean- e we expect to see Canada doing the bulk of the business, as at sent.

It is difficult to have strong convictions right here, reaction which took place today might carry somewhat further. have not yet convinced ourselves that thru export channels the ted States will rid herself of sufficient quantities to create ullish market. On the other hand, with May wheat close to the level we recognize that unforeseen happenings might bring about nges later on.

So far this week Kansas City, Duluth and Minneapolis cks show an increase of 554,000 bushels. There were practically clearances today, compared with 164,000 a year ago. Primary eipts of wheat are running a little lighter, today being ,000 bushels against 998,000 last year. Canadian marketings e 2,382,000 bushels.

Corn today was strong even before the firmness in at had set in. The export business which is going on now is tainly beneficial, and we are inclined to believe that the ement from the country will be small unless prices improve erially.

UHLMANN GRAIN CO.

# DAILY MARKET LETTER

MEMBERS:
CAGO BOARD OF TRADE
YORK PRODUCE EXCHANGE
YORK COCOA EXCHANGE
RK COFFEE AND SUGAR EX.
YORK RUBBER EXCHANGE

UHLMANN GRAIN COMPANY
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CHICAGO

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

Lit

October 29, 1932.

Liverpool furnished no surprise this morning, and their
otations came higher, which had been expected. Despite extremely
all shipments this year from Russia, which to date are only
ightly above 8,000,000 bushels compared with 54,600,000 bushels
st year, Europe shows no anxiety, and the export business re-
rted yesterday was again light. Good crops in Europe, and cheap-
ss in Argentina, with February wheat there downto 41¢, naturally
kesthem very much at ease. We were fearful last July that with
e piling up of stocks in North America the present situation
uld not be avoided. At that time we called attention to the pro-
ble crops in North America together with the carryovers, which
taled 1,752,000,000 bus. However, we find as the crops actually
rned out, plus supplies from previous season, that estimates at
at time were about 80,000,000 bushels too high. However, the
nsumption of North America is about 750,000,000 bushels, in-
uding seed and normal waste. In other words, it is apparent now
at we have a quantity of about 920,000,000 bushels of wheat to
al with for export and carryover. It is not likely, despite
ort crops in Russia and the Danube, that North America will be
lled upon to furnish more than 400,000,000 bushels this year; so
becomes clear that unless there is unusual waste at home due to
w prices that the North American carryover on July 1st, 1933,
ll be very much the same as in the year just passed when United
ates carried over 378,000,000 bushels and Canada about 137,000,000
a total of 515,000,000 bushels.

Barring a catastrophe in other countries, we believe
at the only hope now lies in reduced acreages. Of course, the
ice is at a level where this will probably come about, and were
not for the carrying charge speculators might anticipate a change
d make commitments here. Instead of doing this, however, we
nd that there was heavy liquidation by discouraged longs today,
d many of them who did not notice the price of Rotterdam wheat
th its comparative cheapness three months ago are beginning to
ke heed now.

We feel that with the prevailing discount of the
nadian dollar anyone who buys Winnipeg May wheat, basing it on
ld, can procure it 4 to 5¢ cheaper than Chicago, and a spread of
is character appears to have fine opportunities before the season
ds.

Primary receipts today were quite light- 611,000 bushels,
ile a year ago they amounted to 1,541,000 bushels. So far this
ek stocks at Kansas City, Duluth and Minneapolis show a net in-
ease of 226,000 bushels. Wheat clearances all from Galveston
ounted to 289,000 bushels compared with 112,000 last year.
nadian marketings were 1,880,000 bushels.

Cash wheat today was strong both in the northwest and
e southwest, and with the price down to about the lowest of the
ason the farmer is parting very slowly with his grain. As a
sult, premiums have advanced and milling demand shows pronounced
provement over a period three or four weeks ago.

Corn is in the category of depressed cereals, but we
e exporting some right along and considering the discount for
wer grades, such as #3 and 4, the farmer nets practically nothing.
some localities he has to take 7 or 8¢ per bushel for the lower
ality of corn, and for that reason we believe that every op-
rtunity of feeding it to livestock or cribbing will be resorted
.

UHLMANN GRAIN CO.

# DAILY MARKET LETTER

MEMBERS:
ICAGO BOARD OF TRADE
YORK PRODUCE EXCHANGE
YORK COCOA EXCHANGE
ORK COFFEE AND SUGAR EX.
YORK RUBBER EXCHANGE

UHLMANN GRAIN COMPANY
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MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

CHICAGO October 28, 1932.

Liverpool wheat cables were quite strong early but
st their advance, closing unchanged to 1/4¢ lower. There appears
be a great amount of uncertainty in Liverpool right now, nobody
owing exactly how the new preferential tariff will affect con-
acts. Some complications have arisen after the specific wording
the Ottawa conference, and it is thought that the Canadian wheat
ich comes to America for winter storage, and is transferred in
erican ports might not be entitled to the same preference as wheat
ich is shipped direct from Canada. For that reason Parliament is
ill debating the question, and English millers are very much op-
sed to the impending duty. There is also an uncertainty on the
verpool contract itself as to whether a preferential duty if
nally imposed would require the necessity of a new contract, and
erefore whether the present holder of the deferred futures in
verpool would be liable for the duty or not.

It is upon that complicated uncertainty that but little
ading is required to carry values up or down, and when selling
ders appeared in Liverpool this morning buyers could only be found
the decline. This had the effect of causing some uneasiness
re, and during most part of the session values ruled lower than
sterday's close.

There is a fair amount of business going on from Canada
ght along, and until the southern hemisphere starts shipping this
ll continue to be the case. Argentina shipped only 557,000 bushels
is week, Australia 1,429,000 bushels, and the Danube 252,000; so
e total of those countries is less than 2,500,000 bushels. On
e other hand, supplies abroad are being furnished largely from
tive wheat, and there has been a decline in the last week or so of
actically five cents a bushel in Germany, so in spite of the poor
ops in Russia and the Danubian countries the demand is anything
t urgent.

The most hopeful sign that we can see now is the effect
om the low price which prevails. Possibly we have reached a
int where crops may be reduced through a forced decline in pro-
ction. On account of high tariffs which still exist we doubt
ether much assistance can be given from the demand side of the
cture. Depleted finances in Europe also contribute to the slow
ying power at the present time. One of our friends in Canada
lls us that maybe the acute weakness which developed in Sterling
d some effect upon buyers in the Canadian market. In any event,
pport in Winnipeg was only placed at various intervals during the
ek, and it is now thought that the market will be permitted to run
its own merit. If this is the case, despite the already large
ldings of the Governmental agency, we look for more stability as
readers show a desire to purchase Winnipeg futures against sales
Chicago. We still feel that we may have to witness a rather un-
easant spectacle of the two North American countries trying to
mpete with each other in order to rid themselves of their wheat
pplies. Later on, of course, the southern hemisphere will come
to the picture, and we believe it will take constant new in-
ntives to bring about sharply higher prices.

Primary receipts continue small; they were 650,000
shels today, while a year ago they were 1,309,000 bushels. So
r this week stocks at Kansas City, Duluth and Minneapolis show
net increase of 233,000 bushels which foreshadows a decrease
the visible supply on Monday. Wheat clearances were all from
iladelphia, 75,000 bushels today, against nothing shipped last
ar. Country marketings in Canada were 2,167,000 bushels.

Corn was rather dull and after yesterday's sharp ad-
nce found difficulty in holding around the previous day's close.

UHLMANN GRAIN CO.

# DAILY MARKET LETTER

MEMBERS:
CAGO BOARD OF TRADE
YORK PRODUCE EXCHANGE
YORK COCOA EXCHANGE
ORK COFFEE AND SUGAR EX.
YORK RUBBER EXCHANGE

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MEMBERS:
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WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

CHICAGO October 31, 1932.

Liverpool was lower again this morning, and with only ager support in our pit, values declined quickly and reached the west levels on record. Reports which we received from abroad ld us that new crop Argentine wheat was being offered for February a parity of 50¢ per bushel CIF Rotterdam. This still makes ic go May wheat look relatively high, and for that reason one nnot conscientiously recommend investment purchases despite the esent low levels which exist.

We have been conservative for several days, although appreciated that any further liquidation from the east would nd the market here badly supported.

World shipments of wheat this week amounted to only 927,000 bushels. North America furnished 6,709,000 bushels, or ch the same as last year; however, other countries are falling hind and we find that this week's total is 5 or 6,000,000 bushels aller than the same time last year. We presume it is only question of time before Broomhall will revise downward his timate on import requirements, and with this in mind, there is a neral competitive feeling now between all exporters in an efrt to gain control of foreign markets. If prices were ruling 10 15¢ per bushel higher, the news this morning probably would have eated a decided bearish feeling. However, one naturally has to sume that technical rallies, if nothing more, might come about ter five or six days of steady declines. The sad part of the cture is that governments the world over started most of their lp when prices were almost double the present level. Instead of nding a cure-all by possibly buying up 200,000,000 bushels of eat and destroying it, most nations found that with economic contions there is but little help that can be extended to the farmer; en the 5¢ bounty which was paid in Canada last year has been opped in order to otherwise help the budget. This, in itself, ll bring the final cure.

Since support is no longer given in Winnipeg, exporters nd more natural conditions prevailing and slightly better export ade; operators are encouraged by less artificiality, which has ompted spreads by way of purchases in Canada and sales elsewhere.

Receipts in our market continue very light, and we are t looking for much additional movement from the country unless ices advance, or finally the farmer becomes accustomed to the w levels and will sell his crop later on in the season. A connuation of small carlots at terminal markets will continue to ke strong premiums, particularly for the better grades of wheat.

Primary receipts continue light; today they amounted 989,000 bushels compared with 2,385,000 bushels last year. We eared 205,000 bushels from Philadelphia, while a year ago 80,000 re shipped. Canadian marketings continue at about the same rate, d for Saturday amounted to 1,808,000 bushels. The wheat visible w in decreasing nearly 2,000,000 bushels shows a remaining total 184,000,000 bushels, or more than 40,000,000 smaller than last ar. On top of this United States stocks in Canada are also aller.

Corn held up quite well even while wheat was under presre. As we have remarked previously, fundamentals in this cereal e more sound than in wheat, and it is not so much a question of reign competition to determine our values at home.

UHLMANN GRAIN CO.

# DAILY MARKET LETTER

MEMBERS:
ICAGO BOARD OF TRADE
YORK PRODUCE EXCHANGE
YORK COCOA EXCHANGE
ORK COFFEE AND SUGAR EX.
YORK RUBBER EXCHANGE

UHLMANN GRAIN COMPANY

TELEPHONE HARRISON 0282

141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

CHICAGO November 1, 1932.

History was again recorded on the Board of Trade this
rning, following the weak cables from abroad, when our futures
ent into new low ground. This was prompted also by the extreme
eakness in Rotterdam, where May wheat is selling for about 46 1/2¢,
r roughly 2¢ cheaper than the same delivery in Chicago.

Canada, with her huge surplus, which is more than
0,000,000 bushels in excess of last year, is making every ef-
ort to regain foreign markets, but is finding some competition
rom Argentina, where the new crop is not yet available altho sales
e being made in advance.

Bradstreet's exports this week amount to 6,208,000
ushels compared to 7,645,000 the week before, or practically the
ame as a year ago. Since July 1st, North America has exported
early 100,000,000 bushels, which amount lacks 16,000,000 bushels
 the quantity exported during the same period last year.

As we view the situation, there are some factors now
ich suggest that caution around prevailing levels would seem ad-
isable. The winter wheat crop has gone into the ground only in
air condition; parts of the Texas panhandle, while not alarming
eem to indicate that plantings were not under the most favorable
onditions. Same is also true of the western sections of Kansas
d Nebraska where insufficient rains in the meantime foreshadow
e possibility of only fair crops next summer. These factors.
 course, are premature in helping to shape price levels, but
ey might become factors next February or March when crop scares
mmence. There seems to be rather a wide variance of opinion
 to how much the winter wheat acreage will be reduced. Some
perts estimate as low as 4% and others suggest a possibility of
% reduction; however, from our own advices, we think that 6 or
% will probably be the outstanding figure.

On the other side of the picture is the small export
usiness from the United States, and even with our present declines,
anitobas are selling at 3¢ cheaper than our commercial grades.
 last week's division of exports by Broomhall, the United States
urnished less than 10%; namely, 610,000 bushels, while Canada
hipped approximately 6,099,000 bushels.

There seems to be some difference of opinion as to how
e new British tariff will be enacted, should it become effective,
s to whether Canadian wheat sent thru American ports would be sub-
ect to the tariff. This occasioned more weakness in Liverpool
ecember than in the other months, but should be cleared up in
 few days.

There has been a slight narrowing of the spread between
ecember and May, and light receipts which have caused a strength-
ning of premiums thoughout the country, possibly influencing
edgers in some instances to go into the more distant months.
ersonally we feel that there will be ample supplies here, and
onsequently a widening will again be seen, particularly as longs
iquidate their nearby futures in exchange for May wheat.

Primary receipts were about half as large as last year,
84,000 bushels compared to 1,438,000 bushels at that time. So
er this week Kansas City, Duluth and Minneapolis show a total net
ncrease of only 36,000 bushels. Canadian marketings were 2,007,000
ushels. Wheat clearances today were almost negligible, being
2,000 bushels while last year they totaled 61,000 bushels.

Corn was somewhat weaker early in sympathy with wheat.
rop experts indicate that including the carryover there would be
ell over 3,000,000,000 bushels of corn for the coming year, but
his had very little effect upon the market, having been pretty well
iscounted during the recent declines.

UHLMANN GRAIN CO.

# DAILY MARKET LETTER

MEMBERS:
CAGO BOARD OF TRADE
ORK PRODUCE EXCHANGE
YORK COCOA EXCHANGE
RK COFFEE AND SUGAR EX.
YORK RUBBER EXCHANGE

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 0282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

CHICAGO Nov. 2, 1932.

Liverpool was lower this morning, altho the decline was off- somewhat by a higher sterling rate, to which we have already led attention. Our Senior, who is now in London, cabled t speculative sentiment was discouraged because of the splendid spects in Argentina and Australia. He also called attention to the ter sterling rate, which it seems was due mostly to election eches in the United States, each party talking pessimistically t might happen if the other candidate should get in, and this porarily might strengthen foreign exchanges as compared to the rican dollar.

Those who have bought wheat based upon price have been dis- ointed thus far,because crops in the southern hemisphere have ned out almost better than expected. There is nothing new in tistics which are being formed now to change any of the arguments herto given. Bearish sentiment of course must be tempered by the prices which prevail, and while 43¢ for Decmeber looks somewhat to the speculator, comparison must be made with such countries Argentine, where February wheat is selling at 39 1/2¢ with charges d already for three months. In Rotterdam May wheat is bringing ut 46¢ per bushel, and this shows the generally unresponsive de- e on part of importing countries to take on heavy supplies, and o the anxiety of exporting nations to sell their crops apparent- at whatever price the market will bring.

We are mindful of all these facts and have continually led attention to them. We appreciate also that we have not yet ched a level that will relieve us of the burden to which we have n subjected. Nevertheless, many things can happen between now next July,and almost for the first time we can visualize speculative sibilities for July wheat as the season progresses. We like this th because it represents charges which are already paid for the t eight months. Should the winter wheat crop which has just been nted turn out small, or even if the usual crop scares come in ch and April, we think that the price will look sufficiently low bring about a speculative movement in the event that general con- ence is restored.

To those who feel that it will take another year to work off hardships of accumulation, we recommend purchases of July wheat inst sales of May, figuring on the same basis of crop scares t the more distant month will receive the greatest benefits of culation.

There are still factors which will prevent sharp advances m holding at the present time. It is disheartening to have overnmental agency in Canada long about 100,000,000 bushels of ures, which, no doubt, will be sold out if prices improve. There also reason to believe that the farm board sometime between now the next crop will dispose of its holdings, presumably in the ghborhood of 35,000,000 bushels.

Primary receipts of wheat today were 681,000 bushels, while t year they amounted to 1,134,000 bushels. There were fairly ge clearances of wheat today, mostly from Baltimore, and the al was 361,000 bushels. Last year there were shipped 280,000 hels. So far this week Kansas City Minneapolis and Duluth w a net decrease of 256,000 bushels, and with light carlots at minals, we expect a fairly good decrease in the visible on day. Country marketings in Canada show seasonal falling off, for yesterday were 1,564,000 bushels.

Corn is suffering at the present time even greater weakness n wheat. While the price at terminal markets is poor, the re- n to the farmer is almost calamitous. We expect rather small eipts, which in the end should bring about some recovery.

UHLMANN GRAIN CO.

# DAILY MARKET LETTER

MEMBERS:
CAGO BOARD OF TRADE
YORK PRODUCE EXCHANGE
YORK COCOA EXCHANGE
ORK COFFEE AND SUGAR EX.
YORK RUBBER EXCHANGE

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

CHICAGO November 3, 1932.

Liverpool wheat cables were weak this morning, particularly hen it was considered that sterling had lost practically all of ts yesterday's advance.

The feeling after the close yesterday had been quite bearish ue to the drastic declines in the stock market, and it seems that onfidence right now has been badly shaken, with commodities of arious description making new low quotations almost daily. One nspiration previously had been the advance in hog prices, but the ummer's advance has been practically all wiped out again, and the rade is in a very uncertain mood at this time.

The export business yesterday had been quite active, and anada seems to be doing a pretty fair volume of business. In our pinion, this will probably continue until close of navigation in ny case, due to the peculiar enforcement of the British tariff, hich has designated that shipments thru an American port, even hough of Canadian origin, are subject to duty. This will prevent uch of the wheat which generally comes to America for winter torage from being sold to England, but we presume that thru alifax and other Canadian ports and Vancouver from the west, arangements can be made to take care of the English requirements hile navigation is closed. It does, however, complicate things ight now when the general world's situation requires help.

When our stock market turned weak, new liquidation set in ushing all trading months thru the previously low levels and stablishing new history. It is difficult to say exactly what the ext step will be. Many operators, who are acting in haste may egret it later. We still feel that our attitude of patience, hich we have advocated now for the last week or so, is the best ne to follow. There is nothing to indicate an immediate upturn, nd yet July wheat at 48¢, with the many obstacles facing it beore another crop is harvested, seems to be too cheap not to be ecognized.

Primary receipts continue light, being 620,000 bushels today, hile last year they amounted to 1,499,000 bushels; this has ocasioned higher premiums being paid for cash wheat at terminals, nd also was partially responsible for the slight narrowing beween December and May wheat, which we do not think will last. So r this week stocks at Kansas City, Duluth and Minneapolis show a et increase of 38,000 bushels. Clearances were heavy, Baltimore aving shipped 419,000 bushels compared with 217,000 bushels cleard a year ago. Canadian country marketings for yesterday were ,523,000 bushels, and they will probably continue at that rate or the next few weeks.

Corn acted independently strong, although is still selling at ather calamitous prices. Even when wheat was under pressure the ellow cereal showed good resistance, and while country offerings ere heavier than one would expect in view of the poor return to he farmer, nevertheless, the demand took care of that.

UHLMANN GRAIN CO.

# DAILY MARKET LETTER

MEMBERS:
CAGO BOARD OF TRADE
ORK PRODUCE EXCHANGE
YORK COCOA EXCHANGE
RK COFFEE AND SUGAR EX.
YORK RUBBER EXCHANGE

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 6262
141 W. JACKSON BLVD.
CHICAGO

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

Nov. 4, 1932.

Liverpool wheat cables were slightly lower this morn-
g at the time of our opening, but recovered. We were advised
our Senior, who is now in London, that sentiment on the other
le was still bearish, as they were expecting early and heavy of-
rings from Argentina and Australia. All agreed, however, that
ices were too low to assume any sales risks at this level. We
lieve that this more than anything else was instrumental in bring-
g about a changed sentiment in our pit this morning, as others
went along with us and had been bearish on fundamental conditions
l been thinking during the past week or ten days that the price
st obviously temper one's judgment.

We do not see anything radically bullish at this time,
tho are willing to admit that the winter wheat crop generally
not getting off with a good start. Indications are that unless
itional moisture comes very soon, particularly in the western
tions of Kansas and Nebraska, that the acreage may be quite a
smaller in those states than last year. Some think that Kansas
ght not plant over 9,000,000 acres.

As far as the Northwest is concerned, many conservative
ople believe that the spring wheat crop as estimated by the govern-
t was too high. There was a report issued by a leading elevator
cern late yesterday making its estimate 60,000,000 bushels smaller
n the government, but this may prove too great a shrinkage when
final figures are reported. In any event, the government has
obably taken a larger acreage figure for the Northwest than was
ually planted, so that a downward revision will have to be made.

There was some reassuring news from Canada when
emier Bennett stated that on through shipments from that country
England on wheat which was consigned for British ports, the pre-
ential tariff would hold good. This means that shipments that
ne to the United States for purpose of winter storage will not
affected as we had feared yesterday. It does not necessarily
us off from export trade, because if prices work in line Canada
sell largely to England while the United States can take care
Continental shipments.

It is to be hoped that the upward movement which start-
here will be followed by Europe and competitive countries. We
re stated before that it will be impossible for us to run the
e alone, and therefore sharp advances can only be maintained if
lowed by foreign markets. It was conceded today that the better
ling here in sympathy with the stock market received rather hope-
impetus by Mr. Owen D. Young's talk last night. He implies
t regardless of the political outcome our nation would carry for-
d as in the past.

Primary receipts make a slightly better showing com-
red with last year, today being 879,000 bushels against 920,000
that time. So far this week stocks at Kansas City, Duluth, and
neapolis show a net increase of 105,000 bushels. No wheat
cleared today versus 2,000 bushels a year ago. Canadian market-
gs for yesterday were 1,516,000 bushels.

Corn benefited from the better tone in wheat, and also
fact that this cereal was recovering somewhat from the general
presive surroundings. It is to be hoped that if the price is
run up too much at this time sufficient export business will
e the way for better prices a little later in the season.

UHLMANN GRAIN CO.

# DAILY MARKET LETTER

MEMBERS:
ICAGO BOARD OF TRADE
YORK PRODUCE EXCHANGE
W YORK COCOA EXCHANGE
ORK COFFEE AND SUGAR EX.
V YORK RUBBER EXCHANGE

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 6282
141 W. JACKSON BLVD.
CHICAGO

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

Sat.

November 5, 1932.

Liverpool was extremely weak this morning, and they
aid no attention to our advance of yesterday., We on the other
and, ignored their weakness and during most of the session our
rices were quite firm. It is not difficult to understand their in-
ifference, as they are getting offerings now daily from Argentina
nd Australia, and under the circumstances sharp advances there are
ot likely; on the other hand, we have had a pretty thorough clean-
ng out with prices at historic lows for the Board of Trade.
innipeg was strong due to weakness in the Canadian dollar.

In looking ahead one is more convinced than ever that
o get further improvement in Chicago values, supply and demand must
qualize themselves; further there should be no burdensome stocks
arried over from one season to the next. It was a situation of
hat kind which prevailed in the years from 1899 to 1914, and dur-
ng that period farmers received a pretty good price on the average
or their product. Had this not been the case farming industry
ould not have carried on, nor would wheat continually have been
own. Since the War exporting nations like Canada and Argentine,
ave increased their acreages so much, that they have taken the
lace of smaller production in European countries, particularly in
ussia.

As we have pointed out in the past, when the demand
s not present production must be decreased. Following now three
ears of low prices, we think that this will come about, and
he present acreage reduction in the southwest suggests a 5% de-
rease under last year, and last year's plantings were 6 to 7%
maller than the season before. Other exporting countries no doubt
ill follow our example, which finally will bring about the nec-
ssary remedy.

The speculators naturally wonders how soon this will
e. Much will depend upon weather and the size of the crops per
re. We believe that possibly the worst of the present declines
as been seen, but as far as immediate improvement is concerned,
hat is difficult to visualize. It must not be forgotten that
heat is a very expensive article to carry; and while the price
ill probably not decline much from present levels the holder of
heat may suffer from losses, such as payments of storage, interest
nd insurance charges. Our own attitude at this time is that
ly wheat under 50¢ per bushel has speculative possibilities. The
ext eight months will no doubt witness seasonal crop scares start-
ng in February or March. Beyond that no one can tell the outcome
the crops at this early date, but we know that the wheat plant
d not enter the ground under the most favorable conditions.

So far this week stocks at Kansas City, Duluth and
nneapolis show a net increase of 294,000 bushels. The primary
eceipts were 870,000 bushels against 1,100,000 last year. There
s no wheat cleared today compared with 283,000 bushels on the same
y last year. Canadian marketings continue about stationary,
ounting today to 1,567,000 bushels.

Corn benefitted somewhat the last few days, as did
ther cereals from the better sentiment in wheat. This grain is
ting more normally, not having been influenced by governmental
mpering. All nations, after the past experience, must see that
terfering with the natural workings of economic laws has done
re to hurt the farmer than to help him.

UHLMANN GRAIN CO.

# DAILY MARKET LETTER

MEMBERS:
CAGO BOARD OF TRADE
ORK PRODUCE EXCHANGE
YORK COCOA EXCHANGE
RK COFFEE AND SUGAR EX.
YORK RUBBER EXCHANGE

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

CHICAGO November 7, 1932.

Liverpool was quite strong this morning, particularly so when it is considered that sterling exchange was slightly higher.

Our market was a good deal under the influence of the strength in stocks and the Winnipeg market. A fair portion of the strength, however, in Winnipeg was due to the weakness of their exchange, and taking this into account, when markets closed their advance was about the same as ours.

For the last few years we have called attention many times to the fact that the law of supply and demand will finally have to exert itself in order to correct the great surpluses of wheat which have accumulated in the world. Looking at the picture from a long-time viewpoint, we can see these corrective methods in the offing, provided no further attempts are made to tinker with the economic laws.

Reports which we have received from the northwest seem to indicate that the spring wheat crop has been overestimated. As far as the winter wheat section is concerned, the 1933 crop has gone into the ground under rather unfavorable conditions, plus a decrease in acreage. If final reports show a decrease in the spring wheat yield under the last estimate, even though our exports will not be large, we no doubt will have been the end of additions to our carryover. However, one must not get too optimistic at the present time. With Argentine wheat offered at 48¢ CIF Liverpool, with Canada making every effort to sell her wheat, and with harvest in the southern hemisphere within a comparatively few weeks, we still will have to come to an export basis in order to accomplish this desired result.

The visible supply shows a decrease of 2,430,000 bushels, the total now is 181,751,000 bushels. This is against an increase last year of 1,597,000 bushels, and the total now is 44,488,000 bushels less than last year. There were 20,000 bushels of wheat cleared from New York against 594,000 bushels last year. Primary receipts were 967,000 bushels against 2,273,000 the same date a year ago. Canadian marketings were 1,741,000 bushels. On-passage stocks increased about 2,700,000 bushels. North American shipments were 8,734,000 bushels out of a total of slightly over 14,000,000 bushels.

Corn advanced in sympathy with the other markets; local sentiment is very friendly toward this article, and we feel that corn has good possibilities of advancing from this level. In fact, early this morning we recommended the purchase of May corn.

Other cereals benefited from the strength in wheat and corn, and were higher.

UHLMANN GRAIN CO.

# DAILY MARKET LETTER

MEMBERS:
AGO BOARD OF TRADE
ORK PRODUCE EXCHANGE
YORK COCOA EXCHANGE
RK COFFEE AND SUGAR EX.
ORK RUBBER EXCHANGE

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

CHICAGO November 9, 1932.

Liverpool wheat cables were lower than due today, which
not surprising considering the weakness in the Winnipeg market
ring our holiday yesterday. Further weakness in Liverpool was
doubt caused by some liquidation by longs, owing to the fact,
cording to Broomhall, that the Ottawa Conference tariff on foreign
eat imported into Great Britain will become operative next Tues-
y; and the buyer of the old contract is the one who will have to
y the tax.

For the past month or two domestic markets have more
less been under the influence of the pre-election news, but
th the election now over markets - at least temporarily- until
w political policies are developed, will tend to seek more
tural trends. As we have pointed out in our letters for the
st few weeks, the atmosphere is beginning to clarify; even
gentina will find a better market for its new crop, as the farm
ard has practically completed shipping its wheat to Brazil which
ll again leave that market to our neighbor in the south. It is
be hoped that the futility of trying to artificially control
rkets is clearly seen, and that we will now profit from our ex-
riences in the past, and permit the economic laws to assert them-
lves, which in the long run is the only sound basis of recovery.

We had quite a number of inquiries today as to our
inion of the allotment plan. In our judgment, this would have
affect on the price of wheat in the pit, as the quoted prices
ll follow the world's trend. The excise tax, which is suggested,
uld be collected by the miller on flour and then turned back to
e farmer provided he will participate in any decreased acreage
lotted to him. Plans of this nature sound more simple in
eory than they are to execute. It would necessitate a very large
rps of men to check up on all the farmers and all acreages--
organization that might outnumber any bureau that we have at
e present time. In order to carry out an allotment plan an
timate of the production and demand would have to be made before
l facts were known, and we all are aware how production can vary
eatly with climatic conditions; we have seen times when a
latively smaller wheat acreage has given a large yield and vice-
rsa. The allotment plan at present levels also would force a
ry large tax upon the American public, particularly if carried
t in cotton, tobacco and other products as well-- a yearly tax
at might be larger than the $500,000,000. appropriated to the
rm board.

Broomhall's division of exports of wheat and flour
om North America shows out of a total of 8,734,000 bushels only
1,000 bushels shipped from the United States against 8,193,000
shels cleared from Canada, which shows that we are falling be-
nd in the race to do the export business.

So far this week stocks at Kansas City, Duluth and
nneapolis show a net increase of 183,000 bushels. Primary re-
ipts were 1,188,000 bushels; no comparison can be made with
st year as it was a holiday at that time. No wheat clearances
re reported today. Canadian marketings were 1,587,000 bushels
d for the previous day they were 2,027,000 bushels.

Corn, as well as the other cereals, were lower today in
mpathy with wheat; nevertheless, we feel that corn has a great
al of merit and good possibilities of showing improvement in the
ar future.

UHLMANN GRAIN CO.

# DAILY MARKET LETTER

MEMBERS:
AGO BOARD OF TRADE
ORK PRODUCE EXCHANGE
YORK COCOA EXCHANGE
RK COFFEE AND SUGAR EX.
ORK RUBBER EXCHANGE

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

CHICAGO November 10, 1932.

Liverpool wheat cables were weak this morning, particularly when the decline in sterling is considered.

Our market was influenced by the better sentiment in stocks and cotton, but at no time during the session did Winnipeg show a tendency to follow our full advance, and without help from outside markets we can look for no permanent improvement.

Statistically there is no change in the situation. With Liverpool March wheat selling at practically the same price as our May, and March wheat in Rotterdam at 46 1/8¢, it shows there is no fear on part of importing countries to obtain their requirements when and as they need them. The price of wheat in the exporting nations reflects their anxiety to sell their crops.

Favorable weather reports are being received from Argentina and Australia, and while rains are still needed in portions of Argentina, the crops are making satisfactory progress. However, from our own southwest comes continued reports of poor soil condition and the need for more moisture; but there is much time for this between now and next spring.

Black Sea shipments were 1,192,000 bushels, of which 936,000 bushels were from Russia. While we have not included Russia in any of our calculations this year, they cannot be totally disregarded as an exporting nation. Bradstreet's exports for the week were 9,796,000 bushels, making a total todate since July 1st of 109,595,000 bushels against 124,584,000 last year.

The export business is fairly active, but Canada is doing the bulk of it, and will continue doing so until we reach a world's parity.

Trading in barley started today on the Chicago Board of Trade, being the first time this commodity has been dealt in since August 5, 1930.

So far this week stocks at Kansas City, Duluth and Minneapolis show a net increase of 1,205,000 bushels. Primary receipts are quite light, being 474,000 bushels against 1,897,000 bushels the same day a year ago. There were no clearances today compared to 654,000 bushels in 1931. Canadian marketings were 1,767,000 bushels.

Corn had a firm tone during the entire session, and other cereals showed strength under the influence of wheat and corn.

UHLMANN GRAIN CO.

# DAILY MARKET LETTER

MEMBERS:
CAGO BOARD OF TRADE
YORK PRODUCE EXCHANGE
YORK COCOA EXCHANGE
RK COFFEE AND SUGAR EX.
YORK RUBBER EXCHANGE

UHLMANN GRAIN COMPANY
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CHICAGO

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

Sat.

November 12, 1932.

Returning from a nine-weeks trip to Europe, the writer
ound very great changes had taken place in the meantime. On
eptember 5th December wheat had closed at 58¢, and declined from
hat price to 42¢ from which low point a moderate reaction took
lace. In the meantime estimates on both the Canadian crop and
ur spring wheat crop had been largely reduced, so that North
merica probably will raise from 50 to 75,000,000 bushels less
han was believed at that time. It is the general opinion that
creages will be considerably reduced- say about 7%; and the state
f Kansas, the most important one, will probably not have more than
,000,000 acres compared with 12,500,000 acres a few years ago
hen acreages were the largest; therefore a reduction of about 25%
rom the high point. This is the second year when general re-
uctions in acreages have taken place in the United States, a total
f perhaps 12 to 15%, and unless weather should be extremely fa-
orable the likelihood therefore is that the amount we shall raise
or export this season will be only very limited.

The present year our exportable surplus is hardly more
han 50,000,000 bushels, and moisture conditions in the southwest
t the present time are worse than they were in 1931. Much, of
ourse, might happen to change this picture to some extent, but
aking further into consideration the fact that last year's spring
heat crop was particularly large, it becomes quite clear that
roduction and consumption in this country are getting in very
ood shape, and were it not for the enormous carryover a high level
f price would be in prospect. This, of course, is not immediately
n sight on account of aforesaid large stocks which are still being
eld in various channels. However, it is safe to say that the
urning point, at least, is in sight; and with this in view we
onsider July wheat at around 50¢ as very cheap. We do not believe
hat the price at any time will decline very much from that level
o that big losses are not in sight. On the other hand, for a
ong pull prospects for a profit may easily be realized provided
e should not raise very abundant crops. Last year France,
ermany, Italy and Spain had crops way above normal; Canada had a
ery large crop, and so did our Northwest, and there were very
oor crops in the winter wheat districts in the Balkan states, but
enerally speaking yields were above normal, which might not be
epeated.

Should we be wrong in our diagnosis that wheat will
ring a good profit during next season purchased around 50¢, it
ould mean that all next year's wheat crop would have to be sold
t a loss. Should such an event occur it is quite plain that
creages the following year would be so reduced that even if the
ull would have to carry his wheat for a whole year, it would be
heap then at 60¢ per bushel.

Taking all this into consideration we believe it will
e dangerous from now on to be short wheat except on very sharp
ulges for temporary profit, but believe that the least resistance
ill be on the long side. By this, we do not mean that necessarily
asy and quick profits can be realized. The harm that has been
one thru these accumulations, thru the Agricultural Marketing Act,
as not all disappeared, but the low price discounts lots of damage
hich has taken place.

# DAILY MARKET LETTER

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11-12-32

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Liverpool cables were somewhat stronger today, and ike always, in bull markets Winnipeg did not quite follow us. Howver we feel that with Canadian wheat paying no duty that England ill be a very large buyer of same right along; and England takes bout 40% of all the wheat which is wanted in Europe.

The close was quite strong showing an advance of almost ¢ per bushel.

Primary receipts of wheat were 1,021,000 bushels versus ,074,000 buehsls last year. Of corn, 785,000 bushels against 30,000 last year. There were no wheat clearances today, compared ith 40,000 bushels a year ago. Canadian marketings were quite easonable- 1,610,000 bushels. Stocks at Kansas City, Duluth and inneapolis increased so far this week 882,000 bushels, indicating moderate increase in the visible supply on Monday.

Corn also advanced in sympathy with wheat and on general ecognition that the price is extremely low. The yellow cereal to s looks particularly cheap. It has been our experience that whenver corn is cheap the consumption increases rapidly. There is a ertain demand for feeding purposes at one price, and an entirely ifferent one at another price. At $1.00 for corn, consumption lmost ceases, and at 25¢ it will be enormous. Last year we had n extremely mild winter; but should this winter be normal or perhaps severe one, corn might easily advance very rapidly. Oats and arley of course would follow corn. Furthermore, the almost cerain prospect of the return of beer will cause increased consumpion to a total of 100,000,000 bushels of barley or corn, and this ill be an added help and bring in further speculation.

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November 14, 1932.

Cables showed a moderate advance, and sterling also improved reasonably. The strength abroad, while encouraging, is not sufficient to enable us to do any export business, and the weight of the three previous crops which have accumulated beyond reasonable proportions has not yet gone into consumption.

As an offset, there is no question that the continued low price for three years has finally brought about the correction, and we look forward to a very much smaller acreage the coming year, great neglect of land, and a minimum use of fertilizers. This ought to give us a change in the picture next year, which will be discounted as we draw nearer to the new crop. However, as that is more than seven months away, we may expect only a gradual hardening of prices, but no sudden permanent increase in values.

Therefore our advice will continue to be to let the short side entirely alone, but to buy only on breaks for permanent investment, since we have already had an advance of about 5¢ a bushel from the low point. Later, when a larger percentage of our crop has gone into consumption and when the psychological effect of a prospectively shorter crop and possible bad weather plays a more important part, the bull side can be taken on with more confidence. It must not be forgotten that most speculators have no patience and want immediate results, and if they buy prematurely they are not likely to hold on until the time when the real turn comes.

In the meantime, crop prospects in the southwest continue very poor. There have been no further rains, and every day that moisture is delayed makes the outlook for good yields less favorable.

There is just one more danger to the market: namely, the farm board holdings of about 35,000,000 bushels of futures. The farm board has promised not to sell any of this wheat before January 1st, but as that is a holiday they may start selling it shortly thereafter. If these holdings were in private hands one could be confident that they would be marketed judiciously and slowly, not thrown on the market. The chances are that such will be the case with the farm board holdings; but as there is always more or less politics involved and as the administration may possibly be anxious to wind up the farm board's affairs, one cannot be quite sure of it. However, we believe that if the matter is left to the judgment of the present management of the farm board, these holdings will not be thrown on the market.

Primary receipts continue light, 787,000 bushels compared with 1,417,000 last year. Canadian marketings for two days were 2,237,000 bushels. Wheat clearances were only 36,000 bushels, compared with 416,000 last year. The visible supply showed a very small decrease, only 276,000 bushels; and the total is now 181,475,000 bushels compared with 226,797,000 bushels last year.

World's shipments still make a very poor showing; 14,129,000 bushels compared with 17,475,000 last year; and the total up to date is almost 96,000,000 bushels less than in 1931. However, North America was a very fair contributor to the extent of 9,260,000 bushels; and as the bulk of this was from Canada it would appear that that country may be able to solve the problem of disposing of her very large holdings and finally that market ought to sell much closer to ours, exchange considered, than it does at the present time.

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11-14-32

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Best prices of the day were not maintained and the market suffered as a result of Winnipeg weakness, and a slumping off in securities. As we mentioned earlier, better prices will come only through patience, and at the moment we must not forget the large accumulation of stocks which will prevent rapid advances at this time.

Corn yields in the largest states -- Illinois and Iowa -- are estimated to be about the largest since 1866. While this is in a way bearish for the moment, it is practically a certainty that such yields will never be repeated perhaps in the lifetime of the present generation. Therefore, next year the situation may be different. It is to be assumed that at the present price corn will be fed to a greater extent than ever, much will be wasted, and it will be used in so many ways that possibly we may be able to absorb this very large crop to better effect than shorter crops when prices were higher. We look with great confidence on the ultimate outcome of prices for corn on this crop, but the more pronounced strength will only come later on when more of it has gone into consumption.

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CHICAGO November 15, 1932.

Liverpool wheat cables were again very weak. Canadian exchange declined to 12 1/4% discount, enabling the merchants there to sell their wheat correspondingly cheap, all of which naturally could not help but influence sentiment, and consequently, prices.

The wheat market, therefore, after an early strength lost all its advance and closed lower.

According to Broomhall, last week's exports from Canada were approximately 6,788,000 bushels, while the United States cleared only 472,000 bushels, plainly showing how a depreciated exchange stimulates export business for a while. Of course, the penalty has to be paid in other ways, as the same country has to pay correspondingly high prices for its importations.

As far as our wheat market is concerned, just now we are in an unfortunate position in that everyone of our chief competitors -- Canada, Argentina and Australa -- are all on depreciated currency, and consequently, the farmer, who as a rule is no great economist, is reasonably satisfied with the price which is proportionately higher, altho it has not the purchasing power that it had before.

The view which we have expressed lately intimating that a turn of the downward tide has set in, was chiefly based on the supposition that we shall later on have an improved domestic situation thru curtailed acreages, but it is too far off to have a dominating influence at the present time, particularly on bulges. Therefore, we wish to repeat that we have not changed our long-time opinions, but must take cognizance at the moment of the other factors that are still with us.

Weather in the southwest was extremely cold, but at many places it was partly offset by one inch of snow, which gives protection against freezing weather. If the snows extend far enough west they ought to be beneficial, but we doubt whether there was enough moisture to change the situation materially.

On November 14th, the United States Department of Agriculture gave the following figures on wheat for commercial grain stocks:

| | | |
|---|---|---|
| In the United States | - | 188,505,000 bus. |
| " Canada | - | 7,445,000 " |
| Total | - | 195,950,000 " |

In the year 1931 they were as follows:

| | | |
|---|---|---|
| In the United States | - | 242,843,000 bus. |
| " Canada | - | 30,795,000 " |
| Total | - | 273,638,000 " |

Consequently, there is 77,688,000 bushels less in sight now than there was last year, and the general assumption is that the total supplies of wheat in the United States at the end of the year will not be appreciably less than they were last season. It is very clear that part of the difference must be explained by larger farmers' holdings. This, in spite of the fact that this year's crop was so much smaller than the previous one. It is not sur-

prising that the farmer is disinclined to sell his wheat at a level of 25 to 30¢ per bushel, and therefore, this country may be able to carry over at certain prices a large quantity of the old crops without any difficulty.

Primary receipts of wheat today, while light, made a slightly better showing compared with a year ago, being 714,000 bushels now versus 848,000 at that time. So far this week stocks at Kansas City, Duluth and Minneapolis show a net decrease of 40,000 bushels. Clearances were fairly liberal, 312,000 bushels while a year ago we shipped 372,000. Canadian marketings were 2,133,000 bushels. Bradstreet's exports this week were only 7,136,000 bushels, and show quite a falling off from last week when they were nearly 10,000,000 bushels. The total so far this year is 116,731,000 bushels against 133,424,000 in 1931.

Corn weakened somewhat in sympathy with wheat, but the colder weather, accompanied by snow, should lead to an increased consumption. We also want to point out that the average weight of hogs last week was 231 lbs. compared to 218 lbs. a year ago and 222 lbs two years ago, thus showing plainly that feeding is on a very heavy scale. We still think that the consumption of corn this year will be tremendous, with extra feeding, waste, etc. But with the large crop this probably will not be felt until later in the season, and, just like in wheat, it will take time before the constructive factors which are gradually taking place now will be sufficient to offset the large stocks which have been accumulated.

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CHICAGO November 16, 1932

Liverpool wheat cables were weak today, and so was the Rotterdam market. They were both very largely influenced by the excellent crop prospects in Argentina; the outcome of the crop is now variously estimated from 250 to 280,000,000 bushels, which is extraordinarily large. The effect will be felt all the more this season as at mid-night tonight the new English tariff willgo into effect, and from now on Argentine wheat will pay a duty of 4¢ a bushel in that country, while both Australian and Canadian wheat can be imported free. This naturally gives Argentina a much more limited market, as England generally takes about 40% of all the wheat which is shipped to Europe.

Our own market was very inactive today, fluctuations were extremely small, and the close was within 1/8¢ the same as last night.

The fact that the foreign countries are not willing to meet their obligations throws further uncertainty into the economic recovery, and we presume that a great many problems will have to be ironed out yet before foreign exchange will again show any sort of rising tendency. With Winnipeg funds at this time quoted about 12 1/2% discount under the U.S. dollar, it naturally gives them a very great advantage in selling abroad; and likewise sterling around $3.32, with intimations that it might go lower, does not form an enthusiastic basis for much outside purchasing.

We believe that the effect of the uncertainty regarding war debts also has a depressing influence on stocks, which again at times reacted on all grain markets.

The situation in Canada, as it looks to us, is getting sounder. Assuming the crop in the three western Provinces to be 411,000,000 bushels, of which 55,000,000 bushels never go to terminal markets, it leaves 356,000,000 bushels of wheat. Up to November 11, 233,000,000 bushels have been sold by farmers, leaving only 123,000,000 bushels to be marketed until July 1st. This gives us 225 days, excluding Sundays, or an average of 546,000 bushels a day. Therefore, it is very plain that Canadian marketings have to drop off very sharply before long; they amounted today to 1,375,000 bushels. It is true, that to offset the comparatively small amount in farmers' hands the visible supply is very large, probably the largest on record, but this wheat is really taken care of at the present time on the assumption that the Canadian Government will not throw its holdings on the market. Of course, should it do so, it would cause a serious distrubance all over the world.

Primary receipts are much the same as last year- today being 608,000 bushels compared with 734,000 in 1931. Stocks at Kansas City, Duluth and Minneapolis thus far this week show a net decrease of 490,000 bushels, practically all from Duluth.

Corn still remains a favorite with us, and indications are that cold weather is setting in somewhat earlier than usual. The fact that we have had a few days of cold snap should not necessarily mean that the winter will be unusually severe; but if the law of averages counts for anything, after two years of mild weather we would rather believe that we can expect normal temperatures, and if anything, possibly a little colder than usual. It goes without saying that at these low prices corn will probably be fed quite liberally, and it also requires more feed in cold weather than on warm days. Of course, the states in this section of the country have produced very abundantly, but we can easily see how we can use and waste 250 to 300,000,000 bushels more than last year unless we should happen to get another very mild season.

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CHICAGO November 17. 1932.

Liverpool wheat cables were very weak again today. The fact that the European governments probably will be told that payments for amounts due on December 15th must be made has a very unsettling influence on exchanges; and consequently on sentiment and values. Both sterling exchange and Winnipeg went to bigger discounts today; and of course as long as this situation lasts it is unthinkable that we should increase our export business in any cereal, and without this help supplies will, and must, remain burdensome in this country for a long time even should the next crop be a small one.

Were it not for these conditions we believe sentiment would very largely favor purchases at present levels, as the outlook of winter wheat in the southwest is certainly very poor. The consensus is that the acreages probably will be reduced to a larger extent than was previously estimated, particularly as the weather is still very unfavorable, being colder and dry in many sections. However, these factors will have more effect later on than at the present time. when we are on the eve of liquidation in December wheat, the open interest of which is still very large, and where there is no immediate chance of decreasing our stocks so that hedges will be taken out of the market.

It seems from day to day that estimates on the probable exportable surplus of Argentine wheat are being raised, and Broomhall now believes there might be available for export as much as 183,000,000 bushels, compared with 128,000,000 bushels last year, or 55,000,000 bushels more.

Primary receipts were light today, but yet practically the same as a year ago- 667,000 bushels against 660,000 in 1931. Stocks at Kansas City, Duluth and Minneapolis thus far this week show a decrease of 968,000 bushels. Canadian marketings were lighter, at 1,304,000 bushels. There were no wheat clearances today, whereas last year shipments were 191,000 bushels.

It now looks as if we might need some more constructive factors to push prices up, but with the weak stock market and the poor outlet everywhere we do not see where they will come from. Therefore, we still advise waiting for better opportunities for buying wheat, altho we still believe that later on as we come closer to the new crop prices may be higher, being so extremely low at present.

Corn could not escape the depression in wheat prices, and closed lower accordingly. However, very heavy feeding is going on and the farmer will become more and more disinclined to ship his surplus, preferring to use it himself on the farm wherever he can.

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CHICAGO November 18, 1932.

Liverpool wheat cables showed surprising strength this morning, being practically unchanged while our market yesterday had quite a sharp break. There also was quite a little backspreading, traders taking profits, selling at Liverpool and covering here; and that market absorbed these sales very well. Possibly wheat abroad has reached a point where no further declines are in order. The 50¢ level at Liverpool is such a low price that probably no wheat can be shipped there without showing a big loss to the farmer, whether it comes from Argentina, Australia, Canada or the United States.

The prospectively smaller world's shipmentsmay also have had something to do with it. Argentina, Australia and the Black Sea (including Russia) together shipped 3,383,000 bushels; therefore, a large quantity will be needed from North America to come up to the minimum quota which is required for weekly consumption.

While the decline today of about 3/4¢ per bushel would ordinarily not attract any attention, it looks very big when it is considered that the price is so low already; and December wheat almost declined to the previous low recently established, which was a record depression price in all history. Winnipeg did not follow our decline except to a small degree, their November being practically unchanged, and the other futures only fractionally lower, their market possibly being supported by the Canadian government; also possibly reaching a resistance point. To this extent the situation is improving.

We are not quite as far out of line with the world as we had been, although further corrections are necessary, and we hope they will come about by other markets going up instead of compelling us to decline still further.

The weather is still very bad in the southwest. The Modern Miller says that dry weather reports in the western third of Kansas and Nebraska, as well as parts of Oklahoma, Texas and Colorado, are increasing in severity, and that the general outlook for the winter wheat crop in the dry areas is reported as relatively poor. They also look for heavier reductions in acreages than previously anticipated.

Canada has made a very fair showing in exports so far for the first fifteen weeks of their crop movement, average weekly clearances being 5,900,000 bushels. At this rate they might be able to ship enough wheat so that their carryover will not be any larger than last year. While the competition from the southern hemisphere will be much more severe from now on, there will be practically no competition from the United States, and with the very low prices the amount from the east may increase, so that possibly this result might be accomplished.

As far as the future outlook is concerned, we must bear in mind that for the next ten days there is likely to be heavy liquidation yet in December wheat, and that later on in January the farm board may liquidate its holdings. After this is all out of the way the new crop prospects will be the dominating factor. Inasmuch as it is not likely that either Europe or the southern hemisphere will repeat such bumper crops as they had this year, and considering the very low price of July wheat, we think the situation will gradually be corrected. We even feel that anyone who buys July

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11-18-32

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wheat now need never take a loss, but he will perhaps require quite a good deal of patience to realize good profits.

There were no wheat clearances today. Primary receipts were light, but so were they last year- today being 724,000 bushels compared with 773,000 in 1931. Canadian marketings are getting smaller- being 1,472,000 bushels. Stocks at Kansas City, Duluth and Minneapolis so far this week show a decrease of 1,269,000 bushels; the largest decrease is at Duluth, the wheat being shipped to Buffalo for winter storage and will probably show up at that port; so there will not necessarily be a large reduction in the visible supply.

There was no change in the corn situation, but that cereal declined a little, the weakness in wheat having a sympathetic influence. We still consider corn very cheap at this price for a long pull.

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FORT WORTH GRAIN AND COTTON EX.

Sat.

CHICAGO November 19, 1932.

Liverpool wheat cables were unchanged today, when they ere due to be considerably lower, and it looks now almost as if iverpool has reached a resistance point, and it will be difficult o drive prices much under the 50¢ level. This, if correct, is ertainly encouraging for the market, and ought to steady it at east, if not advance it.

Were it not for the heavy December liquidation yet to come e would certainly feel that with the continued dry weather in the outhwest that permanent advances would be justified. No matter hat happens immediately, it should not be forgotten that we proably have seen the worst regarding overproduction in wheat, and tarting next year there ought to be a gradual improvement between roduction and consumption. For the next eight business days we ill still be confronted with a probable heavy December liquidation. he open interest yesterday in December wheat was still 56,000,000 ushels. While records of the open interests are only available or a comparatively few years, as formerly no official statements ere given out, we are inclined to think that never before in the istory of the trade has there been such a large open interest in ecember wheat as exists at the present time, and so close to deivery day. From all we can learn, elevator concerns are willing o make heavy deliveries on the first of December unless the diference between December and May widens further. As nobody seems o want the wheat, either for export or domestic purposes, it is ost likely that it will again finally land with elevator concerns, nd every long in December wheat will either sell out or transfer is holdings to May or July wheat. This is bound to have an nsettling effect until after liquidation is over. Otherwise, we ould feel strongly encouraged to advise purchases of wheat right ow for a long pull.

Even Argentina and Australia, in spite of very large rops, have become comparatively reluctant sellers; all of which is uite natural when the low prices existing everywhere are conidered.

For the present bad crop reports from our southwest are eing ignored entirely. Of course, much might yet be corrected, and he time is still far off before this will be the dominating factor. owever, it is bound to come. We believe acreages all over the orld from now on will be heavily reduced, which will probably make n entirely different picture next year. Speculators usually disount such conditions.

Stocks at Kansas City, Duluth and Minneapolis so far this eek show a decrease of 1,409,000 bushels; however, much of the derease comes from Duluth, and such wheat is likely to appear again t Buffalo, to where it is shipped for winter storage. Primary eceipts of wheat were 702,000 bushels, much the same as last year; ut a large part of it we understand is shipped from Omaha to ansas City for Red Cross purposes, and is really a duplication. learances were only 8,000 bushels. Canadian marketings are getting maller- today being 1,107,000 bushels.

Corn did not act very well today considering the great trength in wheat, altho improved a little. We think the crop is o large that it will take an unusually long time before the extra urplus is digested, but sooner or later this will come as heavy eeding will continue.

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CHICAGO November 21, 1932.

There was quite a good deal of encouragement in the foreign news today. Liverpool cables were quite strong before our session opened, following fully our advance of Saturday; they were largely influenced by small world shipments, amounting to less than 11,000,000 bushels, or about 3,000,000 bushels less than last year., and also by the great scarcity of wheat in some of the Balkan States,and continued reports from Russia indicating great scarcity in that country.

Weather in our southwest continues dry, and the time for additional seeding is getting very short, probably preventing much more planting. Consequently, estimates on the amount of reduction in acreages compared with last year are being raised.

The situation certainly is getting much less one-sided than it was, but just at the moment we are still confronted with heavy December liquidation, which may possibly make itself felt during the next seven business days when delivery day comes around. The open interest in December wheat last Saturday was still 53,612,000 bushels- probably a record high at a time so close to delivery time.

North America contributed quite a large percentage to the world's shipments- about two-thirds, or 7,000,000 bushels. This, of course, will change as soon as the southern hemisphere starts shipping in earnest. The amount on-passage is a little over 38,000,000 bushels; practically the same as last week and last year. The world's shipments, according to Broomhall, so far since July 1st amount to 221,000,000 bushels compared with about 320,000,000 last year, or almost 99,000,000 bushels less; and of course should such a ratio continue it will upset all calculations, as Broomhall still estimates world's requirements only about 70,000,000 bushels less than in 1931. for the whole year.

The news from Argentina is contradictory. There were claims that some light frosts are causing apprehension; also that there was too much rain in parts of that country. However, as the Buenos Aires market was lower the news was ignored.

Canadian deliveries for the week, ending November 18th, were only 8,718,000 bushels against 10,693,000 bushels a year ago, showing the heavy movement is over for the time being. The visiblesupply decreased 1,768,000 bushels compared with a decrease of 3,430,000 last year, but it is still almost 180,000,000 bushels, which is very big, although about 44,000,000 bushels less than the previous season. Canadian farmers' marketings were lighter, at 1,071,000 bushels. Primary receipts were very fair at 1,393,000 bushels against 1,522,000 in 1931, and we believe this year's posted receipts include a great many duplications, as lots of Omaha wheat is being shipped to Kansas City for Red Cross milling purposes. There were no clearances whatsoever today.

The Agricultural Department at Washington states that the 1932 slump in farm income was attributed to national and world-wide changes in financial and economic conditions, and that the gross income from cotton and wheat was only about 30% of thatfor 1929. For most of the other crops, according to the Department, the 1932 income was about one-half that of 1929. In other words. the "pet babies" of the government. wheat and cotton, suffered a much more severe decline than all the other farm products, including livestock. Was this merely an accident, or was it due to interference by the government in an effort to raise prices regardless of supply and demand? It is to be hoped that the lesson of this unfortunate experience will be heeded.

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Trade in wheat during the session was extremely light, and the December liquidation is not yet on such an extensive scale as was expected, but as everybody knows it is bound to come during the next seven days, it overshadows all other news, and the market closed considerably lower.

The trade in corn was very light, and receipts for this time of the year are very small, and farmers show a tendency to hold. The crop is extremely large, but consumption is also on a very big scale. This, however, may not be severely felt until late in the spring, and at one time or another during this crop present prices may look very cheap.

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# DAILY MARKET LETTER

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FORT WORTH GRAIN AND COTTON EX.

CHICAGO

Nov2mber 22, 1932.

Cables have shown more or less strength during the last few days; they have not been inclined to follow our declines and have improved a little from time to time. It seems as if they have reached their resistance point, whenever wheat sells at about 50¢ abroad. This, of course, is quite natural, as it makes extremely low prices.

Dry weather continues in our southwest and chances for much additional seeding are disappearing. The wheat prices here, while out of line for export and higher thanquotations in other exporting markets, is nevertheless at such a low level that anything unexpected easily lifts the price.

Something unexpected did happen this morning. While everybody was expecting continued heavy liquidation in December wheat, and pressure on the nearby delivery, the reverse took place; shorts became scared and there were big buying orders for December wheat in the market right at the opening. This immediately scared others and the December future advanced very quickly, naturally affecting May wheat sympathetically, and consequently, there were good advances all around. The trade was particularly impressed as one of the largest elevator concerns seemed to have changed its mind and transferred lots of December wheat over to May, creating the impression that possibly deliveries on the first of December may not be as heavy as was anticipated. We, ourselves, believe that with an open interest of 52,000,000 bushels, with only seven business days to come, there will still be plenty of December liquidation, and that there is no reason for any alarm, although 5¢ carrying charge, in view of the low cost for interest and insurance, does not seem unreasonable.

Otherwise the situation is unchanged. Commercial stocks in the United States are approximately 186,000,000 bushels and in Canada over 7,000,000 bushels of American wheat, making a total of 193,000,000 bushels, or 77,000,000 bushels less than last year. The trade, which is working on statistics, figures that there ought to be as much wheat in the United States as there was in 1931, and if this assumption is correct, farmers' holdings should be correspondingly larger than they were in 1931, as the visible supply is smaller. It hardly seems reasonable that this should be the case on a much smaller crop, although it must be admitted that undoubtedly the low price brought about a holding tendency, and farmers' holdings are very large. It is possible, however, that the crop may have been overestimated, particularly in the spring wheat territory, and we shall know more on this subject when the Government comes out with its figures early in December.

Bradstreet's clearances make a poor showing- 6,667,000 bushels compared with 9,575,000 bushels last year from North America, and the total up to date from July 1st is only 123,000,000 bushels against 143,000,000 bushels last year. North America will have to ship considerably more than this, otherwise the carryover next July, Canada and the United States together, will be as large or larger than it was last July.

Primary receipts of wheat were very light today- only 448,000 bushels compared with 852,000 last year. Clearances amounted to 265,000 bushels- all from Philadelphia. Broomhall's division of wheat and flour exports for the week ending November 19 are as follows: 1,069,000 bushels from the United Statesand 5,864,000 bushels from Canada, making a total of 6,933,000. Stocks at Kansas City, Duluth and Minneapolis so far this week show a de-

CHICAGO 11-22-32

crease of 1,038,000 bushels- the chief decrease coming from Duluth- they shipping heavily to Buffalo for winter storage.

Toward the last the market showed very obviously that it had become overbought, May wheat being but a fraction higher than the day before, while December was about 1¢ higher and only 2¢ above the season's very lowest price. We believe that a great many scared shorts in December wheat changed over to other months today, and that from now on there will probably be a little widening. Considering the quantities bought the market impressed us as having responded very poorly.

Corn was weak almost from the start; while fluctuations were narrow, it showed only a shade higher than the previous day when wheat advanced and slumped quickly on small liquidating orders.

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CHICAGO November 23, 1932.

Liverpool wheat cables were reasonably strong today before our opening, but they lost ground during the session; and sterling exchange also declined below the recently established low, all of which was discouraging.

The fact that the outlook for an early settlement of the debt question is very poor, affected every market in the country--stocks, cotton and also grain; therefore, without any material change in the situation since yesterday, prices of wheat and corn declined quite sharply.

The great excitement which had existed yesterday in consequence of material narrowing between December and May wheat subsided entirely. Yesterday's trade in December wheat was extraordinarily large, amounting to about 16,000,000 bushels, and the open interest was reduced from 51,000,000 bushels to 43,000,000 bushels. We consider this is still quite considerable for this period of the year, as there are only six more business days left, including today, before delivery day, so apparently much liquidation still has to come; and this overshadows the market at the present time.

Weather in the southwest continues to be very dry in four of the important states, like Texas, Oklahoma, Kansas and Nebraska, but inasmuch as good snows during the winter could repair some of the prospective damage, not much attention is being paid to the crop outlook at present. However, we believe that when the figures are published by the government regarding the probable reduction in acreages it will make quite an impression upon many who are inclined to purchase wheat when they think the bottom has about been reached.

There is a good deal of talk that during the Lame Duck session of Congress which convenes December 6th, various agricultural bills will be submitted; all of which adds to the uncertainty existing at the present time.

Canadian farmers' deliveries were 1,026,000 bushels. Stocks at Kansas City, Duluth and Minneapolis so far this week show a net decrease of 2,082,000 bushels, and it is quite normal to see these reductions at this time of the year, as the wheat will be stored in eastern ports. Clearances amounted to only 75,000 bushels. Primary receipts were a little better, but still light at 651,000 bushels compared with 574,000 last year.

As far as the immediate trend of the market is concerned, we still believe that low prices have discounted much of the bearishness in the situation, although we fully appreciate that our large stocks will have to be reduced considerably before the situation will become permanently sound. This may possibly come about next year assuming that the bumper crops which were raised this year in Europe and in the southern hemisphere will not be repeated.

Corn receipts continue to be extremely light, and there is a distinct tendency on part of the farmer to hold his crop, but the old stocks are more than sufficient for all purposes; therefor, this cereal declined in sympathy with wheat. We still believe that finally the extreme waste which is taking place and the very heavy feeding will overcome the large size of the crop.

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FORT WORTH GRAIN AND COTTON EX.

Nov. 25, 1932.

The Liverpool, as well as the Winnipeg market, was weak and lower yesterday while our exchange had been closed; being influenced by the unsettlement of the war debt question, the decline in sterling and Canadian exchange, and favorable reports from Argentina, all of which naturally had a depressing effect. The price for most of the futures at Liverpool is now in the neighborhood of 50¢ per bushel. According to a map made out by Broomhall from the year 1761 to 1892, or for a period of 130 years. the price there never went below $1.00. This shows in what an extraordinary age we are living now. Everybody knows, of course, that such extremes will not last forever, and that the present price of wheat in the distant future may look as low as the $1.50 level looked high a few years ago. However, there is no chance of doing any export business, and the old wheat will be weighing heavily on the market until possibly the new crop changes everything. If any accurate statistics were kept we probably will find that the extreme smallness of our exports is quite as amazing as the price structure. For the month of October this great big country exported only 4,348,000 bushels of wheat and flour; and since July 1st, 19,040,000 bushels compared with 56,027,000 bushels last year. We well remember the time when at this period of the year we easily shipped that much in a month, and we also remember when we exported as much as 35,000,000 bushels, or more, in four weeks.

The wheat speculator certainly has to think of an consider a great many questions now to arrive at any accurate conclusion. It will be necessary for him now to become an expert in exchanges, as every exporting country competing with us is now working on depreciated currency-- Argentina and Australia, as well as Canada. Furthermore, the largest importer, England, is also in the same position; therefore any decline in exchange in these other markets gives the holder of wheat a higher price; and even though it is in depreciated money the farmer is no economist and he only looks at the price and is easier satisfied.

Under these circumstances, the very poor outlook in our winter wheat belt is being ignored at the present time. The Modern Miller states that the drought conditions were somewhat intensified during the week in the west and southwest, no moisture being received. Private and official reports indicate a relatively low condition for winter wheat in the western third of Kansas, Nebraska and parts of Oklahoma, eastern Colorado and Texas. as well as Montana.

In addition, the trade is very much puzzled as to whether we shall be confronted with some new laws by either the old or new congress trying to help the wheat farmer. We refer to the allotment plan. Nobody can as yet determine what effect the outcome of this plan would have on wheat prices as far as futures are concerned, as much would depend upon how the law would be worded, when it would go into effect, and whether it would refer to flour made out of old wheat, and flour milled already and held in millers' and bakers' hands, etc.

November 25, 1932

Canada for the first sixteen weeks of her crop year shipped about 6,000,000 bushels per week, and at that rate she probably will be able to market her surplus raised from this year's crop, and carry over about as much as last year. But whether with the additional competition now from the southern hemisphere this quantity can be exported is an open question, although it must be quite a help with the United States practically out of the reckoning from now on.

The open interest in December wheat on Wednesday was reduced only 2,500,000 bushels, and was still 40,500,000 bushels this morning. There was heavy changing again today, and shorts in December wheat seem to be more scared than longs. However, there are only four days left before delivery day, and we are still inclined to believe that there will be fair-size deliveries in December which will widen the difference.

Primary receipts of wheat for two days were 999,000 bushels compared with 934,000 last year. Stocks at Kansas City, Duluth and Minneapolis show a net decrease of 2,836,000 bushels. Canadian farmers' marketings were 1,263,000 bushels. Argentina, Australia and the Black Sea shipped 3,598,000 bushels against 2,364,000 a year ago.

Toward the last part of the session there was a good deal of short covering, and there was quite a sharp advance from the low point, although the market closed somewhat below Wednesday's close.

Trade in corn was extremely light, and that market declined in sympathy with wheat, but did not recover when wheat advanced. Receipts are quite moderate, but stocks remain large, and in view of the big crop, it is difficult to boost prices at the present time, although we think later on in spring the excessive heavy feeding and waste will be felt and that the present price seems extremely low.

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Sat
CHICAGO Nov. 26, 1932.

Liverpool wheat cables were about as expected, sterling exchange remains weak, and international affairs are very uncertain. Therefore, for anyone who wishes to be a conscientious adviser to his clients as to what wheat prices will finally do, will have many factors to consider. We have come to the conclusion that at the present time there are so many X's in the problem that it would take a super-mind to solve them, or part of them, and make accurate predictions.

On the one hand, we still have a tremendous supply of wheat above home consumption, and for the present it should not be forgotten that wheat is still a world's article, and it would take many years of small crops to use up our carryover unless we can dispose of part of our surplus abroad. When we look at the prospect of doing so, we find that wheat is selling at practically as low a price in Liverpool as here; it is selling both in Argentina and Canada, exchange considered, about equal to 38¢, which is certainly not very encouraging. On the other hand, crop reports from the southwest and guesses on the estimated wheat acreages are so poor that ordinarily the trade would become very excited. Furthermore, the government report which comes out next month will probably reduce the past year's spring wheat crop considerably. There is more agitation for farm relief in the way of an allotment plan, which may temporarily stimulate the buying of flour. But the farm board is supposed to hold 35,600,000 bushels wheat futures, which may be thrown on the market after January 1st.

Others must feel the same as we do; therefore, trade is very inactive and speculation very small. Perhaps sometime later the situation will become clearer.

Wheat clearances today were 271,000 bushels- all from Galveston. Canadian marketings were 1,097,000 bushels. Stocks at Kansas City, Duluth and Minneapolis show a decrease so far this week of 2,624,000 bushels, yet we expect only a moderate decrease in the visible supply on Monday, as most of it will reappear at Buffalo. Primary receipts were light at 536,000 bushels compared with 545,000 last year.

At the close markets had a moderate advance from the previous session.

Corn showed more independent firmness than for some time, and we believe it will be only a question of time until this cereal will improve. Reports which we are receiving show a tremendous amount of feeding going on, and this, in our opinion, will finally absorb even a large crop.

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FORT WORTH GRAIN AND COTTON EX.

November 28, 1932.

Liverpool cables were strong and higher today in English money, but the actual advance amounted to almost nothing when the weakness in sterling exchange was taken into consideration. This decline in sterling, coupled with the acute debt situation, affected also the Canadian exchange, which went to a discount of 16½%.

Uncertainty as to the allotment plan makes all guesses on future prices very doubtful. It does not seem easy to lift prices, low as they are as seen thru American spectacles, as long as the largest importing market in the world - England - is in such a chaotic financial condition. However, anything unforeseen or artificialmight temporarily lift wheat values and make short sales a little undesirable. There is also the possibility later of the so-called "allotment plan" being passed and going into effect, as we understand our President-elect looks upon it favorably for redeeming his promises on farm relief. Many complications might arise, and its seconday consequence would be so far-reaching that nobody can predict the outcome until at least one knows exactly how the law will be worded.

In allthe literature that so far has been published on this subject nobody seems to have taken into consideration that should there be an excise equal to 42¢ per bushel on wheat for flour produced, the price of flour would immediately rise so high that on basis of the present tariff we would become an enormous importer of that commodity. Naturally a provision would have to be made to avoid that- probably a higher rate for importing flour would be proposed. But as soon as the tariff question is touched in the old or new congress nobody can tell where it will lead to. The Democratic party is committed to reducing instead of increasing tariffs, but it is always a dangerous thing in a short session of congress to discuss any new tariff bill.

Then arises the question of when the excise tax, if enacted, would go into effect. Assuming this to be in July, bakers and millers would load up with wheat before that time to avoid the tax, thereby causing increased demand for old wheat, and by the time the excise tax would become effective there might be no demand for either domestic or export wheat, and prices during the month of July might go very much loer than if no law had ever been passed.

In the meantime Canadian wheat for July delivery is selling at about 50¢ in their depreciated currency, or equal to 41 1/2¢ in gold value. All nearby futures are selling for less, and #3 northern of course sells at a discount under that; all of which makes our wheat look high compared with theirs.

World's shipments today were much the same as last year, 12,770,000 bushels compared with 12,607,000 last year. North America's contribution was heavy at almost 9,000,000 bushels versus a little more than 8,000,000 last season. The visible supply showed a good decrease of 3,694,000 bushels against 1,568,000 in 1931, and is now 46,000,000 bushels less than same period a year ago. This can easily be accounted for through the low prices, which have brought about a tendency for farmers to hold whatever they can. Canadian marketings were 1,226,000 bushels. Clearances today were 737,000 bushels compared with 80,000 a year ago. Primary receipts were 737,000 bushels against 751,000 in 1931.

At the close the market was about 5/8¢ lower compared with Saturday. The difference between December and May wheat showed a widening tendency, while May and July narrowed, caused by the uncertainty of the possible allotment plan.

There were no new features to the corn market, and heavy feeding is going on all the time; nevertheless, this cereal also declined in sympathy with wheat.

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# DAILY MARKET LETTER

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FORT WORTH GRAIN AND COTTON EX.

CHICAGO November 29, 1932.

Liverpool wheat cables were about as expected, being lower before our session opened in sympathy with our weakness of yesterday. However, more attention is being paid to the decline in sterling than to actual quotations of their futures.

Many factors must be taken into consideration now in coming to a conclusion as to wheat values in the future. Formerly one could draw a picture after sizing up the stocks on hand, the prospective acreage, the outlook of the crops, and domestic and foreign demand, but now in addition one has toconsider the effect of depreciated exchanges both in exporting and importing countries. In exporting countries where there is depreciated currency, the farmer receives a comparatively better price in the money of his realm. In the importing countries, the trade is more or less paralyzed and speculation at a minimum. Also the fact that our farm board is still in the wheat business, with holdings of 35,000,000 bushels of futures, which may be marketed any time after January 3rd, and the fact that other relief bills will be suggested in next congress, have to be considered as a market factor.

We have definitely come to the conclusion that the most popular bill at the present time, and one which is also favored by the President-elect, the Allotment Plan, will have no chance of being passed in its present form; and the reason we believe so, is that its effect would be defeated at once thru heavy importations of flour, or of cotton goods, unless the tariff would be immediately raised. Past experiences have shown that whenever tariff bills are on the program, it usually takes months and months before there is such a unity that they will become law. Furthermore, the President-elect is committed to reducing tariffs and not raising them.

With all these uncertainties, naturally the trade was extremely quiet and fluctuations between the high and low did not amount to more than 3/8¢ a bushel.

As far as the future is concerned, we can see nothing on which to advance prices in face of the great weakness at Winnipeg, and same would be still more accentuated were it not for the fact that the Canadian government is supporting the market right along, but this cannot go on forever. Therefore, something quite unexpected and sensational must happen before prices can be permanently lifted. There is one hope for the bulls-- the reduced winter wheat acreages and the poor crop prospects. However, sometime we may have a snow covering in the southwest, and should this occur, then the plant would remain dormant and nobody could report about the crops until next spring; therefore, the poor crop prospects would not be an important factor until then.

Bradstreet's exports from the United States and Canada, wheat and flour, this week amount to 9,694,000 bushels versus 6,746,000 bushels last year. North America has shipped so far 26,000,000 bushels less than in 1931. Canadian farm marketings were 1,339,000 bushels. Stocks at Kansas City, Duluth and Minneapolis for the first day decreased 1,243,000 bushels, practically all from Duluth, which will appear late on, probably at Buffalo. Primary receipts of wheat were very light today, at 481,000 bushels compared with 384,000 a year ago. There were no clearances today of United States wheat, against 371,000 bushels in 1931.

Corn continued to be weak, partly influenced by heavy December liquidation, and also in sympathy with the weakness of all commodities.

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# DAILY MARKET LETTER

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FORT WORTH GRAIN AND COTTON EX.

November 30, 1932.

Liverpool wheat cables were considerably lower today,
ut the decline was mostly caused by the sharp advance in sterling
xchange, which at one time had shown an improvement of six points
ompared with the day before. However, for the present, no great
nprovement in values there is in sight, with the three large ex-
orting countries - Argentina, Australia and Canada - competing
ith each other and trying to see how much each can dispose of.

Wheat at one time was fairly strong, as the advance
n sterling caused better sentiment; also there was a general de-
and for December wheat, shorts as well as hedgers being anxious
o clean up the slate with the uncertainty as to how much wheat
ill be delivered tomorrow.

While it is difficult to make any guesses, we would
ot be surprised if possibly three million bushels of wheat will
e delivered, but we are under the impression that the elevator
oncerns are not particularly anxious to lose their wheat and may
ll wish to take it back again.

The Chicago situation in wheat is very peculiar.
oth the spring wheat and the southwestern markets are out of line
ith Chicago, and no wheat may be expected from there for the bal-
nce of the crop. Red wheat is bringing a good premium, and the
earby states are also able to dispose of their purchases to local
illers, which makes receipts here next to nil. A few days ago
nly two cars of wheat were received here, another day none, and
oday also only about 7 or 8 cars were received. With this poor
utlook of replenishing wheat stocks until another crop comes on
he market, and with the large elevator capacity, the owners of
heat prefer to earn what carrying charge they can rather than have
he wheat shipped out.

Quite large transactions took place today, and individ-
al traders bought and sold as much as 500,000 to 1,000,000 bushels,
ut at the close fluctuations were extremely small. This can easily
e accounted for by the fact that the price is already so very low.
n the other hand, with no export business in sight sharp advances
re also very unlikely.

The open interest in December wheat decreased 6,000,000
ushels, down to 24,000,000 bushels, and as it will undoubtedly be
argely reduced again today, the amount still open on both sides
n December first will be about normal.

It is interesting to note that since August 1st, not
nly the world's exports to Europe decreased 69,000,000 bushels,
ut also exports to non-European countries is 19,000,000 bushels
ess than the previous year, all of which goes to show that the
eneral depression must have some influence on consumption- at least
n the non-European countries which have suffered so much from the
ecline in silver.

In the meantime weather in the southwest continues to
e dry- some people making the extreme statement that the situation
s almost unprecedented. The fact that these bad reports have no

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11-30-32

nfluence on the market at the present time is due to the fact that ome of the damage might still be repaired, and that the time is ery distant before growing weather sets in. However, it is quite ertain that should no improvement take place, the poor outlook ext spring should be a very important factor in enliving the market.

Bradstreet's division last week of wheat and flour hipped from North America is as follows:

| | | |
|---|---|---|
| From United States | - 1,103,000 | bushels |
| " Canada | - 7,829,000 | " |
| Total | - 8,932,000 | " |

Canadian wheat farm receipts are keeping up, being ,276,000 bushels for today. Stocks at Kansas City, Duluth and inneapolis show a decrease so far this week of 2,377,000 bushels. rimary receipts of wheat were very light- 529,000 bushels compared ith 695,000 last year. There were no clearances today against 84,000 bushels shipped a year ago.

Corn and oats sympathised with the general decline in alues of stocks and other commodities; oats in particular made a ew low record in price.

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EW YORK COCOA EXCHANGE
YORK COFFEE AND SUGAR EX.
EW YORK RUBBER EXCHANGE

UHLMANN GRAIN COMPANY
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141 W. JACKSON BLVD.
CHICAGO

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

December 1st, 1932.

Liverpool wheat cables were reasonably strong today, being about unchanged in face of the fact that sterling exchange was again three points higher. This strength creates a better feeling, the same as the steady decline before had been very depressing.

The morning deliveries were very small, being a little less than 2,000,000 bushels, considering the large amount of wheat which is in Chicago, and it clearly indicates that elevator concerns are not anxious to lose their wheat and prefer to merchandise it themselves rather than have it shipped out. This is quite natural, as cash premiume here are very big and receipts next to nothing. Today, Chicago - the biggest grain market in the world - received only one car of wheat, and there are no indications yet that they will again be heavy at any time on this crop. Both northwest and southwest markets are relatively way above ours, and it is impossible for shipments to come from those quarters, which leaves only the nearby states to supply us; they raise mostly red winter wheat, which is already bringing big premiums, and the probabilities are that the mills at home will need all that the farmers are selling. Therefore, there is no likelihood of any additional large pressure on the market, and the advance today was fully justified. Of course, there is another side to it, namely; the farm board is supposed to still own 35,000,000 bushels of wheat for future delivery which has to be marketed at some time or another.

While the technical position of the market has improved, as long as Canadian markets do not follow fully, and as long as Liverpool wheat sells practically at the same price as ours, or very little above, the situation is not sound enough so that one can blindly take the bull side.

The market seems more two-sided than for a long time, and the close was very strong.

Stocks at Kansas City, Duluth and Minneapolis so far this week show a net decrease of 3,534,000 bushels. Primary receipts were 476,000 bushels versus 370,000 last year. Canadian marketings were 1,271,000 bushels.

Corn was also much stronger, probably in sympathy with wheat, but also on the convictions that in spite of the large crop receipts will not be heavy on account of the low price, that there will be a steady and good demand, and that anything unforeseen, which would be favorable, might lift prices considerably. We believe corn purchases in the long run will prove to be good investments.

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DAILY MARKET LETTER

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FORT WORTH GRAIN AND COTTON EX.

December 2nd, 1932.

Liverpool wheat cables were a great disappointment today, their market showing only a very small advance of about 1/4-1/2¢ compared to ours of 2 1/4¢ yesterday; this in spite of the fact that sterling exchange was weaker. Naturally, we could not ignore these conditions, particularly as the Winnipeg market had not followed us either yesterday.

We think it would be a good plan, judging from past experience, for every speculator if he wants to be successful to lay down as fundamental, never to follow advances as long as they are confined only to this country, with prices in all importing and exporting countries so much below ours.

We understand that some farm board wheat was delivered to the Red Cross at New Orleans, and same had to be disposed of at about 6¢ under our May. We believe that it would be difficult for us to purchase any wheat in this country, ship it to New Orleans and sell it at 4¢ over May; consequently, we are easily 10¢ out of line at the Gulf ports. Not only shall we require a large amount of export business this season to put us on a sound basis, but it is almost sure that next year, even with a short crop, we cannot be independent of European markets as long as we are supposed to have a carryover of about 350,000,000 bushels. This surplus has to be cut down before the situation will become sound, and anything above 130 to 150,000,000 bushels we consider as detrimental to the price, and more than the normal requirements would justify.

There was a narrowing today between July and May wheat, which was entirely based on hopes, or fears, that the allotment plan will go thru. We do not share this opinion, because we imagine that at least some Senators and Congressmen have learned how disastrous artificial attempts for raising prices are in the end. Furthermore, any such law would necessitate the raising of tariff on flour, cotton goods, some hog products, etc. We also think that it would be pretty difficult to control the extent of the breeding on part of sows; and efficient as we are, these animals might fool us and produce a larger crop than the allotment plan calls for.

Cash demand is not particularly good, as far as large quantities are concerned, but premiums which are being paid are comparatively high. This is due more to the over-capacity in elevator room as each owner prefers to hold his wheat rather than dispose of it as long as arrivals are as small as they are now.

Weather in the southwest continues to be dry and warm. Yesterday there were some indications for a change and precipitation, which did not materialize, and the outlook for any immediate relief has disappeared.

The unsettlement of the war debt question brought about weaker sterling exchange and lower stock market, all of which had a depressing effect, and at the close more than half of yesterday's advance had been lost.

Stocks at Kansas City, Duluth and Minneapolis show a decrease of 3,576,000 bushels so far this week, but the decrease was practically all at Duluth, the greater part of which will show up at Buffalo; so the visible supply will probably show only a moderate decrease. Wheat clearances were 265,000 bushels- mostly from Baltimore. Primary receipts continue light, today being 576,000 bushels versus 382,000 last year. Canadian marketings continue heavy, 1,224,000 bushels; and if they do not decrease soon we shall conclude that the Canadian crop was again underestimated.

The open trades in December wheat show a very large decrease, almost 5,000,000 bushels. This December wheat has been liquidated now down to 9,000,000 bushels. The open interest in wheat altogether is also much smaller than a short time ago.

There was some aggressive buying of corn at the opening, but when the wheat market declined this cereal followed suit. We have not yet changed our recent opinion of corn prices as to the final outcome.

# DAILY MARKET LETTER

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FORT WORTH GRAIN AND COTTON EX.

CHICAGO December 3, 1932.

Liverpool cables were lower today and sterling exchange eclined about 3 points when English markets were closed. Winnipeg arkets, for both May and July wheat, reached new low points, all f which is very discouraging, indeed.

Our wheat market opened lower in sympathy with these conitions, but had a very sharp spurt shortly afterwards, which also an easily be explained by the fact that prices look so low to a reat many people that from time to time new buyers come in the arket, short sellers are few and easily scared, and any sudden emand bringsabout advances. However, when such purchases have ulminated the actual facts are with the trade again, and bulges o not hold very well; arguments can readily be made for both ides. However, the depressing part of it is the European situaion, where values are about the same as they are here; so we are opelessly out of line for export, and markets abroad would have o advance about 10¢ per bushel before we would have a chance of isposing of our very large stocks.

The open interest in all futures of wheat are only 35,000,000 bushels, while the visible supply alone is 176,000,000, learly showing that there is more wheat unhedged than in normal imes. Of course, we can see how later in the season as we draw loser to the approach of our winter wheat harvest that a change ight stare us in the face. The unfortunate factor still is the arge carryover, which again will confront us on July 1st, 1933. hould this be in the neighborhood of 350,000,000 bushels of wheat, nd even assuming that our next winter wheat crop would not be ver 400,000,000 bushels, this alone would give us a total of 50,000,000 bushels, or roughly 100,000,000 bushels in excess of ome requirements. On top of that no one can state how much the pring wheat acreage might be increased should the allotment plan e resorted to. And with satisfactory moisture conditions in he northwest, we are afraid that there will again be so much wheat n this country next year we will gradually have to meet competitive evels and revert to an export basis.

Government holdings in this country and in Canada are till pretty large. It is assumed that the agencies who are operatng in Winnipeg probably hold in the neighborhood of 115,000,000 ushels, and this, together with our farm board's accumulation of utures, means that sometime in the future 150,000,000 bushels of heat in North America will have to seek liquidation. Nobody can et the day of reckoning, but every student of economics appreciates hat some day this load will not be carried by those interests.

Canadian marketings are still keeping up pretty big- today ,008,000 bushels. Stocks so far this week at Kansas City, Duluth nd Minneapolis decreased 3,780,000 bushels, practically all at uluth. Clearances amounted to 274,000 bushels. Primary receipts ere 667,000 bushels compared with 482,000 last year.

CORN, in our opinion, represents better merchandising oportunities, and the farmer is not wholly dependent upon an export utlet. Furthermore, should we get a normal winter with average now covering, there might easily be fed 200 to 300,000,000 bushels ore than last year, and this will finally help to reduce the big urplus now on hand.

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KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

CHICAGO December 5, 1932.

Liverpool wheat cables were a trifle lower than due today and sterling exchange was practically unchanged; it seems to be very difficult to move the foreign or Canadian markets. There is a big business passing between Canada and England every day, but not in sufficient volume to reduce the large stocks which have been accumulated, and farmers deliveries or sales of wheat in store are,easily offsetting the hedges which have to be taken out; therefore, there is no relief in sight at the present time.

Our own market was very dull most of the session, but the feeling was rather firm in sympathy with a better stock market, and great hopes that the Repeal of the 18th Amendment might have been passed.

Statistical news was not much of a factor. The visible supply decreased 4,637,000 bushels which is normal for this time of the year, it being the close of navigation, but the total of 171,000,000 bushels is about 46,000,000 smaller than in 1931. However, as it is generally assumed that the amount of wheat back in farmers' hands, as well as in mills, is exceedingly large, there may be almost as much wheat in the country now as there was at this period last year.

Primary receipts of wheat were heavy today- 1,154,000 bushels compared with 849,000 last year. Canadian farmers' deliveries were somewhat smaller, 961,000 bushels. Clearances amounted to 130,000 bushels from Newport News which was probably all shipped by the farm board as nobody else has been doing business in that port.

World shipments were considerably larger than la st week or last year, being over 16,000,000 bushels compared with 11,500,000 bushels a year ago. The bulk of the shipments came from North America, practically 75%, or 13,000,000 bushels; the biggest portion of which naturally came from Canada, altho we think that the United States shipped a little, as last week 1,135,000 bushels of wheat and flour were cleared for Brazil. We think that this will be very close to filling the order of 25,000,000 bushels which the farm board had sold to Brazil in exchange for coffee.

Assuming that the Canadian government was right in its figures, the pressure from Canada must decrease very soon, as we figure there are only about 100,000,000 bushels of wheat left on farms, which for 211 days, to August 1st, 1933, excluding Sundays, would not justify expectations of heavier deliveries than on an average of 469,000 bushels a day.

The allotment plan is still being discussed a great deal, and it greatly affects the difference between May and July wheat, according to the views that are held by operators. We firmly believe that the bill will never pass in its present form; it would necessitate many changes, particularly the raising of tariffs on all productions which enter into the manufacture of cotton and also on flour. It would open up the whole tariff question, and there will be no time for this during the short session now.

Toward the close the chief influence was whether the Repeal Act would be passed or not; on rumors that it was passed the market first advanced to the highest point of the day, but when it was defeated stocks and grains declined.

Corn acted more or less in sympathy with wheat, but receipts are very light considering the large size of the crop, and we think it has a great deal of merit.

UHLMANN GRAIN CO.

# DAILY MARKET LETTER

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# DAILY MARKET LETTER

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FORT WORTH GRAIN AND COTTON EX.

December 6th, 1932.

When we state that the blackboard, which records grain uotations, looks pitiful, we think we describe a true picture of ie situation. Today again new low record prices were made for May nd July corn, as well as for Winnipeg wheat futures. When it is onsidered that December wheat in Canada is selling already for less ian 40¢ in gold values, and this representing the best wheat in the orld, it would hardly be necessary to write exhaustively on the ieat situation to make it clear that everything seems to be wrong. f course, those who have followed the trend of legislation, artifiial means and consequences, should not be so much surprised at what a ctually happened.

For two years now there really has been no world's ver-production, and the suffering at the present time all comes rom the accumulations thru the farm board and the Canadian governent pool before that time. As a proof of this, we point out that radstreet's visible supply today is 459,000,000 bushels compared ith 482,000,000 last year, and while probably the invisible supply ill be somewhat larger, it shows that we have well taken care of he present movement for five months. Then if we take the comercial stocks of United States wheat in North America of 183,000,000 ushels against 263,000,000 a year ago for the same period, which is decrease of 79,000,000 bushels; this is probably offset by wheat oldings in other positions; and again shows production now about quals consumption. Therefore, everything would be all right were t not for the carryover we had on the first of the year.

Liverpool market followed our advance of yesterday, ut the probability is that their prices will sink again, low as hey are, when they find that they can again buy Canadian wheat heaper than ever.

Exports from North America for this week, according o Bradstreet, were 12,500,000 bushels, compared with only 6,500,000 n 1931, showing that Canada, from which country the bulk of it s coming, is trying now to correct its previous mistake, and is ot missing any opportunity to sell wheat abroad. According to roomhall, Canadian clearances last week were 11,606,000 bushels ersus only 1,185,000 bushels from the United States, or about 10%; nd even these small quantities would not have been shipped had it ot been for some old sales probably to Brazil on part of the farm oard which had to be cleared.

The trade was prepared for very bullish estimates on his year's acreages and crop outlook. While the surmises were artly realized, yet the reduction was not as large as expected,proably; not more than 6 or 7%, and there is still a probability of a roduction in the winter wheat belt of 430 to 450,000,000 bushels. his, with an average spring wheat crop, would perhaps give us all he wheat we need for home consumption, and maybe a small amount or export, but it would not cut deep enough into our previously acumulated surpluses unless exports were fair and somwhere near an verage.

Under these circumstances, even next year we shall ot be independent of foreign developments.

Stocks at Kansas City, Duluth and Minneapolis show a mall decrease so far this week of 143,000 bushels. Canadian maretings were 933,000 bushels. Primary receipts were small, at 82,000 bushels compared with 446,000 last year. Clearances from he United States amount to only 48,000 bushels.

Corn,as mentioned above, broke to new low records, nd considering the low prices already existing the decline at one ime on liquidating sales was very heavy, but there was some reovery before the close. A great many people share our opinion that hile as a rule this is not the time of the year when it is easy to o bull corn, the situation this year might be different from other ears because the price is already so low, their being a limit as o how cheap a valuable article like this can sell. We still think he chances are better for an upturn than otherwise.

# DAILY MARKET LETTER

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FORT WORTH GRAIN AND COTTON EX.

CHICAGO December 7, 1932.

Liverpool wheat cables showed a rather steady tone today, onsidering the advance in sterling exchange of about 3 points, and ur rather weak market yesterday. It seems that Europe is depending lmost entirely on Canadian wheat; estimated Argentine shipments re only 625,000 bushels, and also usually about half of the ustralian crop goes to non-European countries; so pressure from hat source will not be as great as it otherwise would be considerng their good outturn.

Our wheat market was largely influenced by the great burst f strength in stocks which occurred late yesterday after our session ad closed, and prices continued to be well maintained today. There s more hope that a beer bill will be passed soon, and also that the epeal to the 18th Amendment is not definitely lost; it undoubtedly ill be voted upon again if the special session of congress is called fter the first of the year.

The farm board furnished its annual report, and asks for aditional funds to be added to its revolving fund for use in making oans to cooperatives. A further plan was that losses from revolvng fund loans to cooperatives be compromised so as not to bankrupt he borrowing organizations, which were used to a large extent in onducting the stabilization operations. We gather from the report hat the money so far furnished to the farm board has been absolutey insufficient, and we figure that it has received so far from the overnment $500,000,000. originally granted, a further present in he way of about $50,000,000. for iterest which does not have to be aid, and a further $50,000,000. borrowed thru the Reconstruction inance Corporation. We also deduce from the report that not only as this money been dissipated, but also that the cooperatives, hich were supposed to take the place of regular grain dealers and perate cheaper,have been losing money and have incurred losses hich cannot be repaid; all of which is not very cheerful.

Considering that everybody feels that no business recovery an take place unless taxes are reduced, any further funds granted o the farm board would come out of government funds, and would inrease interest charges, etc. In addition the farm board is in faor of the allotment plan, which would increase the excise tax on lour alone about $225,000,000., about $175,000,000. on cotton and ossibly $300 to $400,000,000. on hogs and tobacco, so that our urdens would be increased directly $800,000,000. Also on this big utlay millers and cotton manufacturers would have to add an additionl profit, and it would easily make a total of nearly $1,000,000,000. o the American public. We, therefore, do not believe that this llotment plan will ever pass congress, or if it does, we think it ill be vetoed.

The trade seems to take a similar view, and this is causing widening between May and July wheat. In the meantime some nervous illers are laying in large supplies of flour, which has the tendency o give us occasionally some temporary strength, like we had at the pening today, millers having been buyers of futures, probably gainst sales of flour.

Canadian farmers' marketings show a slight dropping off- today 49,000 bushels. Stocks at Kansas City, Duluth and Minneapolis show decrease of 118,000 bushels so far this week. Primary receipts f wheat were 521,000 bushels compared with 535,000 last year. There ere no wheat clearances today. The open interest in December wheat s still quite fair, being 5,467,000 bushels and in December corn, ,279,000 bushels.

Toward the close there were some realizing sales and only part f the early advance was maintained.

Corn showed sympathetic strength with wheat. Receipts are xtremely light for the size of the crop; stocks also are increasing nd we believe it will only be a question of time until this cereal ill advance considerable in value.

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FORT WORTH GRAIN AND COTTON EX.

December 8th, 1932.

Liverpool wheat cables were weak before our session opened and declined still further. English markets show extreme weakness, which can only be accounted for by the fact that Canada is willing to meet any competitor's offering of wheat daily, regardless of price. Although sales are heavy and continuous, they are determined to keep them up in order to relieve the situation best they can for next year. They have learned their lesson--we have not; and we still are going it all alone and disregarding foreign markets, although it must be clear to everybody that the only relief that can ever come to wheat prices is thru exportations. The process of waiting years and years until our acreages are so reduced that we could finally absorb our large surplus would be too tedious.

Winter wheat acreages the past five years have been as follows:

1928 - 47,317,000
1929 - 42,720,000
1930 - 42,513,000
1931 - 43,149,000
1932 - 40,172,000

The estimated winter wheat area this year is 37,522,000 acres, a decrease of more than 10,000,000 acres from the top, which, on an average yield of 14 1/2 bushels per acre would make a difference of 145,000,000 bushels. The average for the five years 1928 to 1932 was 43,174,000 acres; consequently, if the allotment plan area is to be based on that figure the farmers will be permitted to increase their present wheat area; and even after the 10 per cent compulsory reduction the acreage would still be larger than was sown this year. Should the plan not go through until next year, then the acreage for the five years from 1929 to 1933, inclusive, would be only 41,215,000 acres; but even on that basis with a 10 per cent reduction we would have almost the same acreage as now. It is, therefore, we think a correct conclusion that the acreages would be adjusted more quickly to what they should be without any interference on the part of new laws.

Should the allotment plan be passed, we should consider a purchase of rye as most advantageous, as rye flour would be subject to no excise tax and would therefore probably sell, considering also the lower price, at about 40 per cent of the price of wheat flour. There would be much substitution of rye flour for wheat flour; also in the south corn flour would be used in place of wheat flour. Altogether, we believe the wheat flour consumption would be greatly reduced through these means, which is just the reverse of what we should strive for; greater outlets for wheat.

Canadian wheat receipts show a dropping off, being only 825,000 bushels. However, the colder weather may have something to do with the decrease. Stocks at Kansas City, Duluth and Minneapolis show a net decrease of 247,000 bushels so far this week. There were no clearances. Primary receipts of wheat are light-513,000 bushels compared with 538,000 last year. The open interest in December wheat is down to 5,211,000 bushels.

Weather all over the winter wheat belt is extremely cold, and would have caused a great deal of apprehension had it not been for the fact that there were fair snows in a large part of the southwest, affording temporary protection to the plant. Nebraska also had snow from 1 to 2 inches.

The wheat market after opening very weak reacted on speculative buying, and finally showed hardly any change.

The colder weather ought to lead to increased consumption of corn. The past two winters have been very mild, and colder temperatures certainly should increase the demand. There was increased interest in this cereal and the market closed somewhat higher.

UHLMANN GRAIN CO.

# DAILY MARKET LETTER

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FORT WORTH GRAIN AND COTTON EX.

CHICAGO December 9th, 1932.

Liverpool wheat cables showed hardly any change, and foreign markets were no influence here. This is the third day now when May wheat in Chicago closed in the neighborhood of 48¢, there being no decisive trend at the moment; the good and bad news offsetting each other. On the one hand we have a very low level of prices making it unattractive to sell, while on the other hand, values in the large exporting and importing countries are still lower. The winter wheat crop prospects are poor so far, but the enormous accumulations of wheat are sufficient as an offset; so it is very plain that there will be an over-abundance even next year, unless there should be a crop failure in yields such as we have never witnessed before. There is no great pressure and speculative demand is also very limited. In our opinion, it will require a change in the foreign situation for the better before there will be a decided upturn.

Weather continues to be dry and colder in the southwest, but snows are predicted and may relieve the situation partly.

In analyzing the farm board's profit and loss statement, or as we would rather call it, its loss statement, for three years, as there were no profits shown anywhere in the many grain or commodity operations, there is an admitted loss under date of September 5th of about $350,000,000 with cash on hand of $23,000,000, and the balance of the money must have been tied up, as the farm board is asking for more money to help co-operatives.

To be entirely correct, however, we must call attention to one credit item in the statement where the farm board acted as bankers: namely, the collection of a little over $9,000,000 interest paid them whereas they had to pay no interest to the government. This one part of their business was very profitable. We assume that these funds must have been used in the handling of commodity transactions, as they disappeared with the other funds.

At that time the farm board carried, including the co-operatives, as much as 1,900,000 bales of cotton, which it agreed not to sell and the market value on that quantity since September 6th would show an additional loss of $34,200,000, or more than there was cash on hand.

The farm board also had on hand then 62,000,000 bushels of wheat, but part of it may have been sold to the government for the Red Cross, but on the unsold part there must have been a loss of 13¢ per bushel, as December wheat at that time sold at 58¢, and now it is selling at 45¢. Further funds from the Reconstruction Finance Corporation undoubtedly enabled the farm board to tide over, and now they need new money which they claim is to help the co-operatives. Why the co-operatives should need more money, unless the management was very poor, is not explained. There were hardly any failures of co-operatives, which did not join with the farm board, but their own co-operatives they claim will be bankrupt to a large extent unless there debts are forgiven.

Stocks at Kansas City, Minneapolis and Duluth show a decrease of 280,000 bushels so far this week. Canadian marketings show a dropping off, only 634,000 bushels. Clearances at New Orleans were 120,000 bushels. Primary receipts of wheat were very light - 466,000 bushels versus 562,000 bushels last year.

Corn acted very weak today, although feeding should assume much larger proportions with the colder weather existing, as we had very mild winters the last two seasons in comparison with what we are experiencing now.

UHLMANN GRAIN CO.

# DAILY MARKET LETTER

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FORT WORTH GRAIN AND COTTON EX.

December 10, 1932

Liverpool cables were very weak today. decling 1/2 cent a bushel, although part of the decline may be explained by the advance in sterling exchange of about 2 points, or about 1/4 cent per bushel. However, when it is considered that Liverpool May wheat and our May wheat are selling at practically the same price, although there is a duty on American wheat to England of 4 cents a bushel, it needs no comment to show how much we are out of line for export. As far as our biggest competitor, Winnipeg, is concerned, her wheat is selling cheaper than ours in their currency which has decreased about 14 per cent. Winnipeg wheat is better than ours and consequently we are easily 8 to 10 cents per bushel above her price. It is true our market has shown great strength and has advanced considerably during the week, but we alone have advanced and therefore are in a weaker position than we were before.

In the meantime there were good snows in the Southwest except in the further western part of Kansas. There is a good snow covering now and there will be no stimulants on account of bad reports which could be sent in; but as long as the wheat is covered nobody can make reports on same.

The domestic cash demand is only for small quantities, although the same are bringing a good premium as receipts are also light. There is nothing particularly encouraging in the situation except there is one ray of sunshine for the farmer: The best news which has come out for a long time is that the Kansas City Star reports the President elect has decided upon an extra session about May 1st and advocates the abolishment of the Grain Agricultural Marketing Act. In other words, the chief cause which brought about the depression in grain prices will be removed. When we consider that in the crop year 1894 - 95 wheat sold at practically the same price at which it sold today, about 48 3/4 cents, and the 1897 crop sold in 1898 as high as $1.75 per bushel, it is clear what might happen if there is no further governmental interference and if the farm problem is left to itself to work out its own solution. The abolition of the Grain Argricultural Act would at once be a notification to Europe that the United States is no longer willing to hold the bag; and other growers would reduce acreages at once, while they have increased them during the time we held our wheat instead of selling it. The winter wheat acreage has already been reduced here about 25 per cent from the high point, and therefore things are shaping themselves for an improvement in the distant future. Of course the damage which has been done cannot be remedied at once and it will take at least a year before the effects of an improvement will be apparent.

At the close wheat was quite strong. There has been a bullish feeling created on account of a great improvement which took place in stocks yesterday.

Stocks at Kansas City, Duluth and Minneapolis decreased 441,000 bushels so far this week. There were no wheat clearances. Primary receipts of wheat are light, 435,000 bushels compared with 674,000 bushels last year. Canadian marketings are very light being 455,000 bushels.

There was more active buying of corn futures in sympathy with firm cash premiums and very light receipts, and the market closed strong.

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FORT WORTH GRAIN AND COTTON EX.

December 12, 1932

Cables were again surprisingly weak, Liverpool paying practically no attention to our sharp advance of Saturday. A small part of the strength may be attributed to stronger Sterling exchange.

Winnipeg May wheat is selling almost 2 cents below ours; and considering their depreciated exchange, it is about 8 cents under ours, and considering the quality, it is easily 10 cents cheaper than our wheat. This fundamentally makes a very weak situation, even at this price.

In the meantime there were good snows all over the country, although only a moderate amount in the southwest, but there was a sufficient amount to protect the plant against the very severe weather now existing everywhere. More snows are predicted for both Nebraska and Kansas. Consequently as long as the plant is covered no further deterioration can be reported. With the general situation as it now exists, we certainly need a simulant, and the only way this could come about, in our opinion, would be thru a better business situation, or thru inflation which however, if it should come, is still very far away.

The visible supply in Australia is increasing very fast, and according to the last report, it is 20,000,000 bushels compared with only 7,000,000 bushels last year. Our exports so far in four months have amounted to about 20,000,000 bushels; and if it is considered that this includes a great deal of wheat shipped to Brazil, which exportation will not be repeated because this old wheat - coffee deal is about filled, it would not be surprising if the total exports this year would not amount to more than 50,000,000 bushels. Consequently our normal consumption of 650,000.000 bushels, which however might be less, and 50,000,000 bushels for export make a total of 700,000,000 bushels which about equals last year's crop and therefore the carryover on the 1st of July would not be any less than it was this past July. There will be, however a vast difference in the quality of the holders: On July 1st, 1932 the farm board still had 154,000,000 bushles of wheat which temporarily relieved the market of this quantity, and now this amount of wheat must be carried by either the farmers or speculators with the danger right now that it might come into the market on any advance. In fact, we are now fearful of what will happen to the market in January should the farm board gradually sell its 35,000,000 bushles of future wheat which they accumulated.

World shipments were very moderate, 10,141,000 bushels compared with 11,180,000 bushels last year, and as of late North America contributed very heavily, 7,183,000 bushels compared with 5,895,000 bushels last year. Most of this wheat comes from Canada and they are making a strenous effort to dispose of their surplus, and since August 1st they have shipped 102,000,000 bushels of wheat compared with only 58,000,000 bushels last year. Since we do not participate in the export business, Canada may be able to continue to ship 5 to 6,000,000 bushels a week.

Primary receipts are 600,000 bushels compared with 1,174,000 bushels a year ago. Wheat clearances today amounted to 142,000 bushels, while last year nothing was shipped. Canadian marketings continue to run light, only 426,000 bushels. The weekly visible showed a decrease of 2,590,000 bushels; the total is now 168,786,000 bus., or almost 45,000,000 bus. smaller than last year. From now on we expect only a very small decrease in the visible supply. For years and years the visible supply decreased, after January 1st, a quantity about equal to our exports, and as long as the latter will be very light, the visible supply might easily be close to 160,000,000 bushels when the new crop starts.

The amount of corn fed will undoubtedly be increased materially by this cold weather, and we might possibly be surprised next Spring at the large proportion of corn which had been absorbed and at that time we think the situation will be much sounder and that corn will look comparatively cheap.

# DAILY MARKET LETTER

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FORT WORTH GRAIN AND COTTON EX.

December 13, 1932.

Liverpool wheat cables showed a drastic decline overnight considering the extreme weakness of their prices in previous sessions. In fact, wheat in England made a new low record today for all times, based on gold; so did Winnipeg. If one considers that #3 Northern wheat in Canada, in gold money, is selling at about 35¢ per bushel, it speaks volumes, and describes a situation such as no one would ever have believed would be possible.

What a lesson to those who honestly but ignorantly tried to help the farmer by ignoring all conditions, boosting prices at the wrong time, interfering with ordinary supply and demand, and not listening to those who predicted disastrous secondary consequences. When the Canadian Pool started its artificial price holdings, wheat sold at about two to three times higher than now; and the claim was that the farmer could not live at the then existing price . In the United States, wheat sold at about 70¢ per bushel higher when the price was stabilized. No doubt, however, all exporting countries will reduce their acreages and when the farmer is left alone the problem will be solved in due course of time. Unfortunately, the grain trade cannot undo in one year all the mischief which farm board operations and the Canadian Pool have brought a bout after years of bad management.

It is quite remarkable on how little wheat the United Kingdom is getting along. Their importations for years and years did not vary very much from one season to another- being from 220 to 240,000,000 bushels during the twelve months; but this season since the first of August to the end of November their importations were 37,000,000 bushels less than a year ago; also 932,000 barrels of flour less, or equal to 4,000,000 bushels of wheat; so they are actually short 41,000,000 bushels compared with 1931. Much as we may try to keep our market independent of world's values it will not work, and every once in a while the absence of export business and the small reductions in stocks are felt; as was the case today when we registered declines of about 1 3/8¢ per bushel. Unless there should be crop failures all over the world next year, we will still be dependent upon export business; and therefore, have to watch foreign markets for our final conclusion as to price values.

According to Broomhall, export clearances last week of 7,183,000 bushels are divided as follows: United States 394,000 bushels and Canada 6,789,000 bushels; in other words, Canada exported over eighteen times as much as we did.

Stocks at Kansas City, Duluth and Minneapolis decreased for one day 106,000 bushels. There were no clearances whatsoever today. Primary receipts were extremely light for both wheat and corn; on wheat they were 332,000 bushels compared with 398,000 last year. Canadian farmers' marketings show a good dropping off- 483,000 bushels.

Corn could not help but sympathise with the decline in wheat, although primary receipts are extraordinarily light, and there is no new pressure in the way of heavy hedges.

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FORT WORTH GRAIN AND COTTON EX.

CHICAGO December 14, 1932.

Liverpool wheat cables, in spite of previous low records, shwed great weakness again, declining still further, altho part of it may be accounted for by stronger sterling exchange, which advanced about two points.

What has happened to the level of wheat prices in England, Canada and Argentina lately can only be termed an utter collapse. When choice wheat is selling in exporting countries in the high 30's on basis of gold values, and when wheat in England, protected by a duty of 4¢ a bushel from all countries except its own colonies, is selling for March delivery in the neighborhood of 45¢, it is such a state of affairs that we in this country also must figure values with a different yardstick until the situation changes.

The elements which brought about the situation have been enumerated too often to make it necessary to dwell on them. The wheat markets of the world have simply been poisoned by the accumulations in Canada and the United States. While we still persist in carrying our load, Canada, after six or seven years of refusing to meet world's markets, is now more anxious at these low levels to undersell Argentina, or at least to meet competition, thereby exerting pressure which Europe, with its increased yields and diminished consumption, cannot absorb.

If we point out that since August 1st Europe has taken 64,000,000 bushels less and ex-Europe 20,000,000 bushels less wheat than in the same period of 1931, it will be realized how much less wheat will suffice them through increased acreages and good yields this year. Canada finally sees the light of day and knows that it cannot continue to accumulate stocks. Out of a crop for western Canada of 411,000,000 bushels of which 55,000,000 bushels never leave the farms, 356,000,000 bushels were available to be marketed by farmers. From August 1st to December 9th, 262,000,000 bushels have already been delivered, leaving only 93,000,000 bushels to come forward. This, we figure, is at the rate of about 400,000 to 500,000 bushels a day. Therefore, we may have seen the worst of the pressure from that source by this time.

Our wheat is practically selling at a 10¢ higher level than in any other exporting country-- Australia, Argentina or Canada, and very much higher, freights considered than Liverpool or European countries. When the German and Austrian banks started failing, it had its repercussion in this country, and we doubt if we can escape injury here in the wheat pit considering what is going on in the balance of the world at the present time.

We should like nothing better than to see improvement ahead for the wheat farmer. This attitude, however, does not lead us to the other extreme of assuming false optimism; and until we can reduce our supplies at home there can be no permanent good, either by hope or by legislation. Taking a long view, however, we think the cure will come through reduced acreages, and we have pointed out that in the winter wheat area there has already been a reduction of about 25 per cent from the top level. Should this be followed in other countries, finally the farming industry will again be profitable.

Primary receipts of wheat today were 357,000 bushels while a year ago they amounted to 339,000 bushels. So far stocks at Kansas City, Duluth and Minneapolis show a net increase of 2,000 bushels. Clearances are nil, while a year ago 430,000 bushels were cleared. Country marketings in Canada, 529,000 bushels.

CORN sympathised with the weakness in wheat, but also recovered when the latter showed firmness. The winter thus far has started earlier than usual, with abnormally low termperatures. This together with snow covering should give us more feeding of corn on account of animals not being able to graze outdoors, and the further fact that cold weather requires more fattening foods to keep the animal warm. We think that finally corn will reflect its own merit, and the present low receipts at terminal markets are bound to be small.

# DAILY MARKET LETTER

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FORT WORTH GRAIN AND COTTON EX.

Dec. 15, 1932.

Liverpool wheat cables and sterling exchange varied but little from yesterday, and were no factor in our market before the session opened. However, the fact that stocks and cotton had closed at top prices yesterday and opened today with further enhancement of values, caused a somewhat higher opening, but afterwards fluctuations were extremely small, and the close was about the same as the previous session.

Trade was extremely quiet in anticipation of the government report which will come out this afternoon. The trade in general expects a bullish statement. In other words, a large reduction in the spring wheat estimate. We, ourselves, estimate that the combined winter and spring wheat crops will show about 700,000,000 bushels, which would be sufficient for this year's consumption and exports, and would leave us with about the same carryover as of July 1st, 1932. We do not believe the government report will cut much of a figure unless it is sensational either way, and varies greatly from the above estimate.

Every large exporting and importing country is practically on a price level for wheat which is 10¢ below ours, freight and other conditions considered. In spite of this cheapness elsewhere, some of the markets, particularly Winnipeg, not only show no signs of following us, but are extremely weak and declining further. Consequently, anybody who buys wheat in this market must either be ignorant of these facts, or else he must believe that the balance of the world is wrong and we alone are right; or that within a reasonable length of time we shall be on a domestic basis, or finally somebody can be found who also ignores what the balance of the world is doing and he will then be able to shift his load to some new-comer. We have seen in the past when such extraordinary occurrences happened, that in spite of all the laws of probability against the favorable outcome, it succeeded. However, in nine cases out of ten when such fundamentals as we mentioned were ignored, the result was disastrous.

We, ourselves, cannot overlook world's conditions and prices, and feel that until we come nearer an adjustment, accumulations of wheat just now are more likely to result in losses than in gains.

Stocks at Kansas City, Duluth and Minneapolis so far this week show an increase of 103,000 bushels. There were no clearances whatsoever today. Primary receipts of wheat today were extraordinarily light, being 357,000 bushels; and so they were last year when they amounted to 399,000 bushels. Canadian marketings were somewhat better at 716,000 bushels.

The corn market varied but little, but colder weather is still with us and ought to increase consumption right along. We believe the yellow cereal is gaining friends, but it will not show until the market really becomes more active, at which time we believe it will be easy to induce buyers to come in and take on larger lines.

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CHICAGO Dec. 16, 1932.

The Government report on last year's wheat yield was another blow to constructive attempts to boost wheat prices. Those to whom it had not been plain before must now know that finally there will be only one remedy to correct the price level; and that is, the riddance of our large surpluses. Since it is unthinkable to permit the surplus wheat to be burned, with all the misery in the world, and the people would not stand for it, it must be sold and disposed of; the only markets are in Europe and in the Orient, We have pointed out repeatedly that by being continuously higher in our ask prices than other competing growers, we are left now with the largest quantity of wheat unsold than ever before in this country.

Using the same methods as in previous years when our estimates usually worked out very close to the final figure given by the government, we estimate that the United States will have a carry-over of about 400,000,000 bushels of wheat. We arrive at this figure by simply taking last year's crop as given by the Agricultural bureau of 726,000,000 bushels, deducting probable consumption of 650,000,000 bushels (which is high), leaving 76,000,000 bushels; from all appearances we shall not export more than 46,000,000 bushels, which would leave us 30,000,000 bushels more than on July 1st, 1932, or about 400,000,000 bushels, as stated above, at the end of the crop year. We think these figures are conservative, because we do not see where we are likely to sell much wheat for export unless a trade should be made to China from the Pacific Coast. The first five months our exports were about 25,000,000 bushels, but this included 6 or 7,000,000 bushels to Brazil, which will not be repeated; a number of sales to Greece, which country in spite of a preferential tariff here is now buying Canadian wheat, their wheat being so much cheaper, and sundry farm board sales to clean up their holdings.

Everyone by this time must be familiar with the causes of this present depression in agricultural commodities throughout the world. Overproduction, encouraged by artificial attempts to impede natural price movements, appears responsible to a large extent. Just what the penalty will be to fit the crimes, or what course of retribution the world must pursue to bring about improvement appears the immediate and pressing problem. But we are convinced that political nostrums for immediate effect to the farmer will not do it. We shall have to face the situation; we shall need a little patience and decreased acreages will do the balance.

The most extraordinary thing happened today in Winnipeg: July wheat sold below 38¢ in gold money. Considering that freight rates in Canada are very high, such a price would net the farmer probably between 20 to 25¢ per bushel, for the choicest wheat in the world, and at best would show him a tremendous loss, no matter how cheap the labor and the land. The decline at the utmost was 10% on the price all in one day, from which, however, there was a moderate recovery. We consider this July wheat in Canada as very price-worthy, and anybody who cannot buy this wheat should leave the cereal alone. It is true, if their price should advance very much ours might sympathize, but for the present the buyer there has an advantage of 8 or 10¢ per bushel compared with our wheat, and this in due course of time must be adjusted.

Stocks at Kansas City, Duluth and Minneapolis increased 143,000 bushels so far this week. Primary receipts of wheat were exceedingly light, 380,000 bushels versus 495,000 last year, showing very clearly that farmers are not disposed to sell their wheat at present prices. There were no clearances whatsoever, and Canadian marketings were only 508,000 bushels.

Corn was extremely strong even when wheat was weak. The severe weather and heavier feeding are inducing new buyers, and we still believe that later in the season the present price will look extremely cheap.

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FORT WORTH GRAIN AND COTTON EX.

CHICAGO December 17, 1932.

The small panic which occurred at Winnipeg yesterday was forgotten today; therefore, a much better feeling in all markets exists. When the choicest wheat in the world declines to such levels as it did yesterday at Winnipeg, it was not difficult for those who did not lose their heads to reason that this situation would be only temporary and reactions would follow. Today their market was considerably stronger, but yet wheat at Winnipeg is so cheap that we do not see how anybody who understands the situation and has money left yet for investments, can resist the temptation to buy it there. Not only that the choice quality which is delivered on contract is an incentive, but also the fact that Canada is daily making good sales to Europe and pays no duty to England, while the Argentine does. While they are overstocked at the present time, no doubt, this situation will be adjusted in time. When the farmer in some places received less money than the railroad company does, it shows the very deplorable condition.

The picture is somewhat different here; anybody who makes purchases in Chicago pays a higher price than any other place in the world, freights and other conditions considered; and therefore is at a disadvantage to commence with. Furthermore, our demand both domestic and export is on the decline. As far as export business is concerned, of course, we are entirely out of line at the present time; and even the domestic situation is not very encouraging, as can be seen from the following:

According to Russell's Commercial News of New York, the estimated flour production and movement since July 1st this year compared with other years up to November 26th, or for 21 weeks, was as follows:

| | 1932 | 1931 | 1930 |
|---|---|---|---|
| Total | 46,887,000 bbls | 51,981,000 bbls | 57,778,000 bbls |
| For export | 1,697,000 " | 3,653,000 " | 5,778,000 " |
| For home consumption | 45,190,000 " | 48,328,000 " | 51,987,000 " |

This shows a very remarkable reduction in home consumption since poor times set in, and shows what we claimed right along that when times are hard consumption of even necessary bread is decreased, not so much because people have not enough, but we are a very wasteful country and economies are now being practised.

Should the consumption during the following 31 weeks not average any better than they did during the first 21 weeks (and as a rule the first five months constitute the largest part of flour sales on part of the mills), our total home consumption would amount to only 111,900,000 barrels which would require about 503,000,000 bushels of wheat. Should our home consumption as a maximum be only equal to 503,000,000 bushels of wheat, with 80,000,000 bushels for seed and 50,000,000 bushels for feed, we would have left on this year's crop about 95,000,000 bushels for export; and as exports will be considerably less, we shall go into the next crop with a considerably larger carryover than we had in the beginning.

Primary receipts of wheat amounted to 586,000 bushels, while a year ago they were 477,000 bushels. Stocks at Kansas City, Duluth and Minneapolis show a net increase so far this week of 94,000 bushels. Wheat clearances today were 93,000 bushels, all from Baltimore. Canadian marketings were 639,000 bushels.

Fluctuations in wheat were extremely small, the market finally closing somewhat higher in sympathy with the regained strength at Winnipeg.

There also was very little change in corn, but the feeling is gaining ground that this cereal is cheap, and has possibilities in the more distant future.

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FORT WORTH GRAIN AND COTTON EX.

December 19, 1932.

Liverpool wheat cables were reasonably strong before our session opened, being higher than due as far as Chicago was concerned, but before their close they lost all the advance and even declined below Saturday's close. This caused great discouragement, and our market which had been reasonably steady before suffered very severely for a time and declined about 1¢ per bushel, from which low level there was a moderate recovery. We think the trade is appreciating more and more the fact that any permanent improvement can only come from Europe, which in turn would affect the Canadian and Argentine markets, and also would lend some strength to ours. However, we are the weakest link in the chain, as our quotations continue to be way above all others, items like freights, etc. taken into consideration. At one time it was hoped that this year it would not require a very heavy export business to prevent further accumulations, but as the first six months draw to a close it becomes clearer right along that we must again add to our large stocks. Even if this country should only raise 600 or 650,000,000 bushels of wheat next year, with our reduced consumption this would be plenty for home requirements, and we shall once more be confronted with the same problem as for the last three years.

However, we believe English, Argentine and Australian prices are low enough; in fact, they are so low that the chances for further declines in those places are not very great, but a further readjustment here will be needed to bring us in line.

World shipments were very much the same as last year--still very light, only about 11,000,000 bushels, or the same as in 1931. However, North America, particularly Canada, contributed about 1,500,000 bushels more, at the expense of smaller Black Sea shipments.

There were no wheat clearances today. The visible supply decreased 1,919,000 bushels today compared with 1,135,000 a year ago, and is now 45,000,000 bus. less than last year. Primary receipts of wheat were heavier, but still light, at 856,000 bushels compared with 1,114,000 in 1931. Canadian marketings were light for a Monday, being 587,000 bushels.

At the close our market showed about the same loss for the day as did Winnipeg. Some buying against indemnities checked the decline. On the whole trade was not particularly large so that a few buying orders brought about fractional advances after wheat had sold at practically the lowest figure on the crop.

Receipts of corn, considering the size of the crop, are extraordinarily light. Chicago is hardly receiving more than local concerns need for their consumption. Primary receipts at terminal markets were only 446,000 bushels versus 668,000 in 1931. This as a general rule is not the time to buy corn; but usually after the consumption has cut largely into the crop. By that time we feel reasonably sure that we shall see higher prices if this event is not discounted before.

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FORT WORTH GRAIN AND COTTON EX.

CHICAGO December 20, 1932.

Foreign grain prices were certainly astounding again this morning. The previous low figures which had been established at Rotterdam and Liverpool were outdone again, and both markets sold at less than 43¢ based on the March delivery. This, of course, means that the price to the farmer in Argentina, Canada and Australia is correspondingly weak, and needs no description.

When it is considered that all of them have to pay first a high inland freight, in addition to Ocean charges the net price to the farmer is indescribable. Unfortunately, we in the United States cannot ignore conditions of that type forever; and those who have done so during the past three years have paid dearly for their error. No matter how much richer we are than the citizens in those other countries just referred to our own consumption is insufficient to absorb the large stocks on hand. Therefore, we must finally seek an export outlet. Canada, after many years of resistance, has finally learned her lesson.

So far North America has cleared 176,000,000 bushels of wheat, since July 1st, which compares with 166,000,000 bushels last year; but as the United States is doing much less than in 1931, it is quite probable that Canada so far has disposed of 40 to 50,000,000 bushels more than the previous season. Last week for instance, exports of wheat from North America, according to Broomhall, were approximately 6,054,000 bushels from Canada, and only 477,000 from the United States. From this period forward the corresponding time a year ago there were shipped about 15,000,000 bushels of wheat weekly, or a total of 411,000,000 bushels. Now, assuming that Argentina and Australia will export 70% of their surplus of 300,000,000 bushels during the first six months, which we estimate as their exportable surplus, there would be about 210,000,000 bushels to ship. This would leave 201,000,000 bushels for Canada and sundry countries to furnish; and as all of the smaller countries will handle only smaller quantities, then it assures Canada of a possible 175,000,000 bushels of wheat that could be shipped during that period. In addition to that, their fiscal year, ending in August, provides one more month before the new Canadian crop starts to move. We, therefore, see possibilities that later on Canada will be in a very much better position, and the terrific pressure exerted at the present time will be much less burdensome at the end of the crop year.

We have frequently dwelled upon reduction of acreages, and also neglect of land, which will finally solve the problem of price. The Industrial Digest states that in 1930 there were thirteen southern states which were the largest users of fertilizer, and consumed 5,600,000 tons; this year the amount will probably be cut to about 2,000,000 tons, or only a little more than one-third of the amount used in 1930. It requires no comment that the farmer formerly purchased such fertilizer not just for fun or to waste his money, but he knew the use of chemicals was a good investment to increase his crops. Taking the contrary view on using these necessary fertilizers the yields will be correspondingly reduced. Therefore, it is almost assured that bumper crops are now out of the question; moderate crops are possible, but not very likely, and we can almost be assured that smaller yields from now on will be the order of the day; at least, until the price level is raised. And this, of course, is what we need until previous years' accumulations are absorbed.

# DAILY MARKET LETTER

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FORT WORTH GRAIN AND COTTON EX.

CHICAGO 12-20-32

pp-2

Today's market was rather uninteresting in anticipation of the government report. However, the trade is already prepared for a rather bullish document, and the condition due to dry weather has already furnished some impetus for the comparative firmness which we have had during the last week, despite the severe breaks in foreign markets. Until we can go down to a basis of competition with Canada and Argentina, we seelittle hope for permanent improvement.

There were no wheat clearances today. Canadian marketings are still fair at 632,000 bushels. Our primary receipts were light- 413,000 bushels versus 464,000 last year. Stocks at Kansas City, Minneapolis and Duluth show a decrease of 101,000 bushels this week.

Corn has held comparatively well without any large speculative force. The fact that prices on the farm are so ridicuulously low has kept the farmer from marketing at an ordinary rate, and receipts at terminals are extremely light. In addition to that, feeding must be going on at an extremely heavy rate with a great deal also wasted, so that in time to come this cereal no doubt affords better speculative opportunities for an advancement than does wheat.

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CHICAGO December 21, 1932.

The great event overnight was the issuance of the government report estimating the planted wheat acreages as well as the condition; there were surprises in both. The general impression had been that the acreage would be much smaller than the approximate 40,000,000 acres as given by the Agricultural Bureau; and the condition of 69 was very much lower than the private experts had given out, and lower than any condition for years and years, probably the lowest on record. One really was a standoff against the other. The trade estimate on the probable yield, based on the figures as given, would be from 418 to 450,000,000 bushels. We are inclined to believe that from present appearances this would be a conservative way of estimating the final outcome of the crop. There is no question in our mind that the outlook in the Southwest, where the acreage is the largest, is very poor; and furthermore with the neglect of land it is not likely that large yields anywhere are possible even with very favorable weather. On the other hand, even should we have an abandonment of 20% (and there only was such a large abandonment in three years out of seventeen), we would still have 32,000,000 acres, and the lowest yield per acre which ever was harvested was in 1924 and was 12.7 bushels per acre, which would make a crop of 406,000,000 bushels. Therefore, on the assumption that the very worst that ever happened will not occur again, we repeat that we may figure on yields of 400 to 450,000,000 bushels as most probable. This with a normal spring wheat crop will give us more than a year's consumption, leaving a small amount for export.

There is another picture which we would like to present, namely: with the very small winter wheat crop this year of 462,000,000 bushels we shall carry over into the next crop probably 25 to 50,000,000 bushels more than the season before. Consequently, the whole crop might be that much less and we would still be no better fixed a year hence, unless either our domestic consumption or our export business increases.

To sum it all up, the low prices cannot be attributed to our present or prospective excessive crops, but to the accumulations during the years under the farm board operations. We, therefore, are still watching foreign markets, particularly Liverpool, and when we receive no encouragement from that quarter we give up the immediate hope of advancing prices.

We also have in mind right along that the farm board still owns about 35,000,000 bushels of futures, which they agreed not to dispose of until January 1st, and this wheat, in our opinion, is bound to come on the market sooner or later.

One of the features of the market today was the extreme weakness in July wheat, which went to a discount compared with the May. We see no justification for that. Chicago at the present time has a stock of wheat of almost 14,000,000 bushels, which, in ournopinion, is not likely to be reduced to less than 12,000,000 bushels by the first of May, and if the elevators cannot obtain a premium for the May wheat over the July they are bound to deliver the wheat to earn storage charges. We see no advantage to either the miller or the speculator to take it in on May contracts and pay storage, interest and insurance charges when he can buy the future for the same price, or even less money.

12-21-32

We look for a gradual improvement in the European situation. After all, even taking the lowest estimate, import requirements are considerably over 600,000,000 bushels a year, or 50,000,000 bushels a month, and they are larger the second half of the year when home crops are partially depleted. At the present time there are only three countries which are selling on a large scale-- Canada, Argentina and Australia. The Australian wheat we figure will go to non-European countries to the extent of possibly 50%; the first week of heavy shipments from there of 2,694,000 bushels, 2,089,000 bushels went to ex-European countries. Therefore, if Australia is partly eliminated for Europe, there is only left Argentina and Canada. Argentine wheat goes mostly to the Continent on account of the duty imposed by England; therefore, the United Kingdom depends largely upon Canadian wheat. While Canada has very large supplies and practically the biggest visible supply she ever had, 238,000,000 bushels compared with 194,000,000 last year, we think from now on her situation will improve daily. In other words, her sales will be greater than farmers' deliveries.

Stocks at Kansas City, Duluth and Minneapolis decreased so far this week 243,000 bushels. There were no wheat clearances except at Philadelphia- only 37,000 bushels. Primary receipts of wheat were very light at 439,000 bushels compared with 416,000 a year ago. Canadian marketings are still keeping up at a pretty fair rate, being 605,000 bushels today.

CORN receipts continue to be exceedingly small, but sufficient for all purposes. Trade is extremely light, and of course, only a small percentage of the crop harvested has been consumed; however, we believe feeding is continuing on a very large scale, which will be felt later on, and toward spring we look for much higher prices in this cereal.

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CHICAGO December 22, 1932.

Our wheat market last night closed with a strong undertone caused by the passing of the Beer Bill in the house. This was a constructive measure, as it will bring about additional revenue, and in our opinion nothing would be so helpful in restoring confidence, and consequently commodity prices, as a balanced budget. Therefore, anything tending that way would be bullish and anything to the contrary very bearish. For months and months, even for several years in succession, we have had nothing but increased expenditures, decreased revenues, and all kinds of borrowing for items which do not even show in the budget. For instance, if the Reconstruction Finance Corporation loans money to the farm board and borrows it from the government, who in turn gets it from the tax payers, it is one government agency loaning money to another government agency. Consequently, we believe more good revenue measures and less expenditures will be needed before confidence can be restored, and grain price will profit.

The good effect, however, of the passing of the beer bill was largely offset by a very weak stock market, caused to a large extent by the fact that railroad wages will not be further reduced, thus making the outlook for revenues for our big transport lines very unfavorable.

Under these circumstances grain conditions were very largely ignored; even a stronger cable from abroad than due was overlooked.

During the session the Winnipeg market, which has been such a disturbing factor for weeks and months, also assumed great strength, but the pessimistic feeling which exists on account of the above mentioned items is discouraging to new investors.

Primary receipts of wheat today were 498,000 bushels compared with 549,000 last year. So far this week stocks at Kansas City, Duluth and Minneapolis show a net decrease of 146,000 bushels, and the change in the visible on Monday will not be very great. Clearances all from New Orleans were only 24,000 bushels, while last year nothing was shipped. Canadian country marketings keep up fairly well at 665,000 bushels for yesterday.

CORN receipts continue to be light, but nevertheless this cereal sold at a new low price, making it very unattractive for the farmer to sell and ship same. We, therefore, look for extremely light receipts, which in themselves may bring about a correction in the price later on.

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CHICAGO December 23, 1932.

A healthful change in the world's wheat situation seems to be taking place. For a number of days now both Liverpool and Winnipeg markets have shown great strength and rising prices, ignoring our weakness. We believe this will continue, because the extreme depression in those sections was absolutely abnormal. When it is considered that Liverpool March wheat sold at 43¢, this price netted the farmer probably less than the inland and Ocean freight and cost of handling amounted to. Foreign markets had reached a point where declines could hardly have been expected. In addition, we always have to keep in mind that European crops were exceptionally large last year, and the same yields per acre are not likely to be repeated. Therefore, we expect to receive encouragement from those quarters from now on, whereas lately we had nothing but disappointments and discouragement.

Regarding the Canadian situation, we also wish to point out that the average clearances for 20 weeks amounted to 6,300,000 bushels per week, and if they clear only 5,650,000 per week for the remaining 32 weeks their carryover will not be any larger than last year; and this in spite of their big crop. In view of the fact that the United States is out as a competitor, this task might be easily accomplished.

It is unfortunate that the Chicago market will not be able to sympathise much with the moderate advance abroad, but three years' accumulations of wheat will be an extra burden for some time. It seems incredible that a cereal which is raised every year, and consequently ought to be disposed of during the twelve months, should have been accumulated to that extent.

The penalties are so great that it is even quite an important factor in our national finances. On November 16th, the national debt was $20,841,000,000, an increase of $4,656,000,000 since June 30, 1930. We figure that the farm board venture cost

| | |
|---|---|
| the government - - - - - - - - - - - - - - - - - - - - - - | $500,000,000. |
| Plus interest before it will all be liquidated about - - - - - - - - - - - - - - - - - - - - - | 50,000,000. |
| Borrowed up to the present time from the Reconstruction Finance Corporation- - - - - | 50,000,000. |
| Government's total cash investment to date- - - | $600,000,000. |

If it is further assumed that the indirect damage done in reduction of corporation and income taxes amounts to another $200,000,000, therefore, out of the increased indebtedness of $4,656,000,000 at least $800,000,000 must be attributed to the farm board venture, or about 18 per cent.

While this was going on wheat declined from $1.18 when stabilization began to about 45¢ at present, and cotton from about 18¢ to about 6¢ a pound.

The great strength in other markets had some sympathetic effect here, prices recovering somewhat from the sharp break early today, but yet the close was a little lower than last night.

Stocks at Kansas City, Duluth and Minneapolis show a small decrease of 56,000 bushels. New Orleans clearances amounted to 50,000 bushels, which is all that was exported from the United States. Primary receipts were 476,000 bushels compared with 342,000 last year. Canadian farmers' deliveries were 499,000 bushels and ought to be very moderate from now on.

There was not much news in corn, but the very low prices are attracting buyers, and there was a moderate advance from yesterday. We believe this cereal has a great deal of merit .

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FORT WORTH GRAIN AND COTTON EX.

CHICAGO December 24, 1932.

The Liverpool market was closed today, and will remain so until Wednesday; this, of course, also affects the whole continent, and foreign orders were next to nil today.

We also assumed a holiday character. Most traders were more concerned with what the future will bring than in consummating actual trades.

Inasmuch as this has been a liquidating year for the farm board, with the exception of 35,000,000 bushels of futures, which they are supposed to still hold, everybody is interested in how the stabilization deal will finally be wound up. Nobody knows; and it must be said to the credit of the Managers of the farm board that no advance information was ever given to anybody. However, there sometimes were good foundations for reasoning out future operations correctly. In thinking the matter over from all points of view, we can only come to the conclusion that the stabilization concern was not much different from any large speculator, except in its size; they had bought large quantities of wheat with the hope that the market would hold steady or advance, but their reasoning was wrong, and when they were confronted with big losses, and their money was getting less everyday, they consequently came to the conclusion, like every speculator in that position, not to wait until distress absolutely compels them to liquidate, but to do so as long as it could be done without creating a panicky condition. They also have lived up to all their promises, and agreed sometime ago not to sell any more futures until after the end of this year. We, therefore, assume that after January 3rd, the 35,000,000 bushels of farm board futures holdings will come on the market. This will release the tightness in May wheat compared to July, and we shall probably see carrying charges between these two months; we shall see the market come more in line with both Liverpool and Winnipeg.

This latter market was surprisingly strong again today, while there were hardly no flucutations in our market; the buying power all seems to have gone to Winnipeg, that being the cheapest market.

Canadian farmers' deliveries are getting lighter- being 500,000 bushels today. Stocks at Kansas City, Duluth and Minneapolis show a net increase of 47,000 bushels. There were no clearances today except at Baltimore, 63,000 bushels. Primary receipts are heavier amounting to 704,000 bushels; there was a holiday same time last year.

There was no new feature to corn today. Trade was extremely dull, with hardly no fluctuations.

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CHICAGO December 27, 1932.

It is a sad task nowadays to write a grain market letter. Every little while new low record prices are made for wheat, and today both the May and July futures sold at the lowest prices ever known. This all happened without any special news affecting the market, but prices gradually declined thru sheer weight of supplies with an insufficient demand. Some time ago a number of French farmers who visited the Paris Grain Exchange, tried, when they saw wheat prices falling, to stop the decline by demolishing the blackboard, which only indicated and was not responsible for the depression. Some of our politicians are making similar attempts to stop the decline, which are equally futile, because they do not recognize the fundamentals. They have been told for years that the accumulation of the farm board stocks would bring about exactly what is happening now. If they would further consider that never before in history did wheat prices sell as low as they do now; when the farmer received no special encouragement but adjusted his acreages to consumption, one would imagine that they would come to the conclusion that the best thing to do is to try the old-fashioned method and let the problem work out by itself. If in the meantime the farmer needs help in the way of reduction of taxes, etc., he whould have it. After all 60% of the farms are not mortgaged and the farmer who has no debt can always make a living, and is better off than the the industrial worker, particularly those who are out of employment. Therefore, the only remedy which would bring about a better situation, should be used. While patience may be required it is fundamental that if acreages are reduced, and if no political nostrums are applied, we shall see higher prices before very long.

Liverpool was closed today, but world shipments were only 11,000,000 bushels, which are not very burdensome.

Primary receipts today, covering the holiday period, were 1,018,000 bushels compared with 338,000 last year. Clearances from New Orleans and Philadelphia totaled 173,000 bushels, while last year nothing was shipped. Our domestic visible supply decreased 1,815,000 bushels; the total now is 165,052,000 bushels, or 47,880,000 smaller than at the same time a year ago. Country marketings in Canada were 397,000 bushels.

The Canadian market declined as much as ours, or a little more, Argentine was also lower; consequently, there may be some more temporary liquidation.

Corn receipts were extremely light considering there was an extra day outside of the usual week-end holiday, but nevertheless, this cereal could not escape sympathising with the lower wheat prices.

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FORT WORTH GRAIN AND COTTON EX.

CHICAGO December 28, 1932.

The grain trade was again very light today, which, however, is quite natural as there is not much inducement at the moment to assume a definite position either way, with the uncertainties existing.

On the one hand, nobody can dispute the fact that in spite of the great bearishness existing on account of large wheat accumulations, a certain price discounts it. Considering that wheat is selling already, for the May delivery, as low as 44¢, and assuming it should decline to 40¢, which would be equal to 34¢ at Kansas City, (a price which would net the farmer only from 20 to 25¢ a bushel) it looks as if the decline could not be carried under that point. Consequently, nothing much can be gained on the bear side. However, on the other hand, with the cash demand very poor, with no export business in sight, with stocks probably larger on July 1st, 1933, than they were in 1932, a new stimulant is needed, either in the way of very bad crops here or in Europe, or something else as yet unforeseen is needed to lift prices considerably.

To show how great the holding tendency must be on part of farmers we want to point out that our commercial stocks in the United States, including U.S. wheat held in Canada, now amount to 177,774,000 bushels against 256,407,000 bushels in the same channels last year, or 78,633,000 bushels less. Considering, according to our statistics, that there must be as much wheat in the United States at the present time, or even more, than last year, we can only come to one conclusion-- than an equally larger amount as is shown by the shortage in the visible must be held either by farmers or in country elevators.

The greatest discouragement, of course, continues in the small export figures. The exports for the month of November were published today, showing 5,888,000 bushels versus 13,380,000 last year; the total for five months is 25,000,000 bushels compared with 69,000,000 bushels same period previous season. When it is considered that the import world still absorbs 700,000,000 bushels of wheat, it clearly shows that while other countries have kept up their quota, we have lost ours; and we doubt whether during the twelve months' period we shall participate in more than 6 or 7% of the total requirements.

Last week's clearances from North America are divided as follows: United States 489,000 bushels, Canada 4,679,000. Canadian marketings are getting very light, only 360,000 bushels. Stocks at Kansas City, Duluth and Minneapolis show a small increase of 98,000 bushels up to date. Clearances were extremely light- only 24,000 bushels from New Orleans. Primary receipts are also quite insignificant- 231,000 bushels at all terminal markets. This compares with 396,000 bushels last year.

After an early decline in wheat, when a new low price was recorded, there was a moderate recovery, and the close was a fraction higher than yesterday.

Corn receipts were extremely light, being only 16 cars and nowhere near sufficient to supply even the local demand, not to speak of leaving a surplus for shipping purposes. In fact, receipts on one of the largest corn crops ever raised are so insignificant that the local concerns are compelled to take corn out of store to supply their wants. Consequently, from now on we shall see a decrease both in local stocks and in the visible supply; and it is the large visible supply which has kept prices down so far. This fact strengthened the market after an early dip. We still feel that in spite of the very large crop, owing to the unsatisfactory price, receipts will be light right along, and that later in the season when part of the crop has gone into consumption we shall see much higher prices.

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FORT WORTH GRAIN AND COTTON EX.

CHICAGO December 29, 1932.

The news from abroad was a trifle more encouraging today. Liverpool wheat which at one time today had been lower than their close of yesterday improved a little. Argentine shipments are still very moderate, and an increase in the Italian foreign wheat quota is now confirmed, which becomes effective on January 1st, but only in the Southern Provinces. The mixture of wheat allowed will be 20 to 40%, while last year the increase did not occur until February 1st. The Rotterdam market was also strong, and Winnipeg showed a great deal more strength than we did.

Those who have followed our letters know that we claimed right along that there will be no sound foundation for wheat prices until other market factors show an improvement; and we hope that what has taken place will not be temporary, but will continue. We think there are reasonable hopes that this will be the case. Nevertheless we find it more difficult than ever to make predictions for the immediate future.

On the one hand the wheat price is extremely low, but as an offset stocks are very large, the demand is poor and the export outlook unpromising. And on the other hand, outside of wheat conditions, several factors which might later influence prices must be taken into consideration. There is first the farm board holdings, which may come on the market, and which may not; there is the allotment plan proposition, nobody knows yet how the law will be worded; and consequently, it would be impossible to foresee what effect it would have on prices, if any. Then there is the possibility later in the season that we might have some artificial inflation. Again we have to consider that the winter wheat crop had a poor start, and we may have justified or unjustified crop scares. Also from the very low condition which exists, we might possibly have some improvement. Therefore, it is not safe to take a strong position which might have to be changed unless one is willing to look far ahead, and then figure that at the present low prices the declines cannot be very severe, and at some time or other higher prices must prevail, as the farmer will not continue forever to grow wheat at a loss.

We still consider that Canada's large crop, and their anxiety to sell had more to do with the decline in prices lately than anything else. Therefore, we find it very encouraging that Canada since July 1st has cleared 151,000,000 bushels of wheat compared with 93,000,000 bushels last year. If they continue to market at the same rate from now until the start of their crop year, their carryover for the first time in many years would possibly be reduced from the previous season. Nothing would clear up the situation more than a reduction of these heavy accumulations which have been taking place in North America for such a long period.

There were no wheat clearances today. Canadian farmers' marketings continue to be small- 338,000 bushels. Stocks at Kansas City, Duluth and Minneapolis show a net increase so far this week of 237,000 bushels. Primary receipts of wheat were light- 362,000 bushels against 499,000 last year.

Today's session was very uninteresting, with only the smallest fluctuations. Presume not much may be expected until the turn of the year, or until many of these matters above referred to are cleared up.

Corn showed great independent strength. The continuation of small receipts is attracting a great deal of attention, as this is the time of the year when usually there are heavy accumulations, but just now not sufficient corn is arriving here to supply the local demand. We do not expect heavy receipts until prices show considerable improvement.

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CHICAGO

December 30, 1932.

We feel that the world's grain situation is strengthening. We have pointed out repeatedly that any permanent improvement must come from abroad, and it now seems that European markets are waking up to the fact that prices have reached such low levels that sellers in exporting countries are more reluctant, and they have to bid up for grain to supply their requirements. This week, outside of North America, the total world shipments amounted to only 4,413,000 bushels; out of which Australia shipped over 2,000,000 bushels to ex-European countries. Argentina also shipped some to Brazil, as that country is no longer being supplied from the United States thru the farm board. This leaves very small quantities for Europe, and they have to look to Canada to a large extent for their purchases.

The Winnipeg market is still offering great bargains; their prices are very attractive and they will probably do the business. In the meantime Canadian receipts are dropping off, and farmers' marketings were again very light- only 396,000 bushels. This means that from now on Canada will sell more wheat daily than farmers will sell and hedges will be gradually removed when no new pressure is thrown on the market.

Here, we profit some from this generally improved situation, but in a more limited way, still being way out of line for export. This strength does not mean that we shall immediately go to the other extreme, and have a big bull market, but the long side will probably remain the preferable for a while. Anybody who sells wheat short now must look forward to continuous distress news, and must easily become scared should there be any bad crop reports later on.

Primary receipts of wheat today were 466,000 bushels and shipments are almost as large, being 426,000 bushels. There were no clearances today. Stocks at Kansas City, Duluth and Minneapolis increased 313,000 bushels so far this week.

Corn showed independent strength during the whole session. Receipts continue to be light, and we believe will remain so for a long time unless prices improve considerably, Any sharp advance would bring out freer offerings, as the crop was a very large one and has not yet been absorbed. Yet we may be surprised when March 1st comes around to find out how much larger the consumption was this year than in other years when the price was higher.

UHLMANN GRAIN CO.

# DAILY MARKET LETTER

MEMBERS:
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UHLMANN GRAIN COMPANY
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December 31, 1932

The year 1932 is ending with almost the lowest prices on record for grains, many commodities, livestock, etc. This of course brought about great disasters; but it is out of the way now, and in our opinion the year 1933 starts with prospects of a much more cheerful nature.

The depression started in overseas countries where commodities had begun to decline, rubber and sugar taking the initiative. Others followed; governments tried to interfere, with disastrous results; and the end came as it was to be foreseen. It is to be hoped that a lesson has been learned, although we doubt whether such is the case, as further interference is in sight which in our opinion is the greatest obstacle to a quick recovery. Nevertheless, we believe improvement will come.

Not even the largest organizations can continue to produce forever at a loss, and certainly the smaller units cannot do so. Therefore the overproduction will soon be ended, the pendulum will swing the other way, and higher prices for all commodities will be realized, which in turn will lead to revival of industry, bringing about employment and greater purchasing power; and 1933 ought to end in a much more encouraging way.

As far as wheat is concerned, we can already see distinct signs that the depression is drawing to an end. The extremely low prices were caused by Canada pressing its wheat on the market. Their prices have reached unprecedentedly low levels. From now on their daily sales will exceed their farmers' marketings, and the situation will naturally improve. England, which was influenced by these offerings, is also doing better. Australia is shipping half or more of its wheat to the orient, and will not be a great factor in Europe. There is only Argentina left, with its surplus of about 140,000,000 bushels, of which not more than 70 per cent will move the first six months; consequently they will not be a sufficient factor to keep prices down. We certainly think we have seen the worst of the low price level.

Wheat prices in the markets which we have recommended right along -- Liverpool and Winnipeg -- were quite strong, particularly the former. Winnipeg lost part of its strength later in sympathy with ours. Here of course we still have a condition which must be corrected. We are comparatively too high with all other markets, but if they improve sufficiently we should profit at least in part.

Primary receipts today 490,000 bushels. Last year was a holiday. Stocks at Kansas City, Duluth and Minneapolis show an increase of 458,000 bushels. Canadian marketings a trifle better, but still very moderate: 573,000 bushels. No wheat clearances at all.

Corn was surprisingly weak in view of the extremely small receipts, and influenced by a new level of hog prices. This of course might be construed in another way as far as corn is concerned, as hogs are so low because there are too many of them; and the more they are fed the sooner will the corn surplus be reduced. We still feel that corn is in a strong position.

UHLMANN GRAIN CO.